

# THE INDEPENDENT

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WEATHER: Wet and blustery

(R45p) 40p

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**SUZANNE MOORE  
AN APPROPRIATE  
FUNERAL**

IN THE TABLOID

**BRIDGET JONES  
MOURNS THE PATRON  
SAINT OF SINGLETONS**

**CITY+  
OFFICE POLITICS  
AND OFFICE POWER**

## Million expected at funeral

Michael Streeter  
and Anthony Bevins

Diana, Princess of Wales, is to be given the ceremony she would have wanted, putting the charities and victims she championed so passionately at the heart of Saturday's funeral.

Buckingham Palace officials, who have been seeking advice and support from Downing Street in the days since her death, yesterday announced that 500 representatives from her favoured charities will walk as part of the funeral procession, expected to be watched by more than 1 million people on the streets of London.

Many of those following her coffin are expected to be from groups she cared most about: the disabled, children, the elderly and people with HIV or Aids.

In another move designed to meet the extraordinary groundswell of grief - shown again yesterday with massive queues of people signing books of condolence around the country - the palace is considering narrowing the main funeral procession to let more members of the public pay their last respects to the People's Princess.

Immediately after the 11am Westminster Abbey service, the nation will observe one minute's silence, though many other organisations, including British Airways, London Underground, supermarkets and shopping centres will observe an unofficial two minutes' silence at 11am.

The arrangements announced so far partly reflect the influence of Tony Blair and his officials, to whom the Palace turned for advice after Diana's death in a Paris car crash early on Sunday.

From the very start of this tragic week, the Prime Minister has taken the view that he needed to offer the Palace advice on the strength of national grief, and how to provide a release for that deeply emotional reaction.

There was no question of the Prime Minister's office putting pressure on the Palace, but Royal advisers recognised that fresh from his landslide election victory, Mr Blair had a surer feel for the public pulse.

For that reason, when the families, the Palace and Number 10 agreed that the Abbey service should not be packed with the great and good, dignitaries from the world of diplomacy and politics, it was the Prime Minister's office gave the Palace the confidence to "scythe" the diplomats and the politicians from the congregation.

Three Downing St emissaries were spotted going into the Palace by photographers yesterday and on Monday: Alastair Campbell, the Prime Minister's press secretary and a man with all the populist instincts of a former *Mirror* political editor; Hilary Coffman, a former Labour Party press officer who helped arrange John Smith's remarkable funeral in 1994; and an unidentified civil servant on the Prime Minister's staff.

But there has been no conflict between the two sides, whose discussions have also taken on board the views of the Spencer family. The Palace was keen to accept the advice not only of Number 10, but also from the princess's office. Yet the idea of the funeral procession - the common touch - was yesterday acknowledged as the Palace's initiative.

A Palace spokesman said the show of national grief was an "accurate reflection of the great respect and affection which the British public had for the Princess of Wales."

Meanwhile charities, including those six whom Diana retained formal links with after "resigning" from more than 90 last year, welcomed the populist form of the procession.

There was, however, confusion among some charities about just whom they were expected to send, workers or beneficiaries.

A number of those approached by *The Independent* said they were sending staff rather than patients, children, the disabled. A spokeswoman for the Royal Marsden Hospital - of which Diana was president - said it was following Palace advice in sending five members of staff from different departments. Great Ormond Street hospital is also sending workers, pointing out that half its patients are under two years of age.

Hilary Clinton will be among the many representatives of foreign governments attending the funeral.

Meanwhile the outpouring of emotion across the country - and many parts of the world - continued to astonish observers. Police estimate almost 100,000 people a day are visiting Kensington Palace, the Princess's home, to lay tributes.

One police officer surveyed the scene and said: "Kensington Palace has become a garden of remembrance."

At St James's Palace, where Diana's body is lying in the Chapel Royal, the numbers of people queuing to sign the 15 books of condolence - increased from five - were if anything greater than on Monday.



A nation mourns: Thousands queuing along The Mall to sign the books of condolence at St James's Palace yesterday

Photograph: Brian Harris

## French judge accuses seven paparazzi of manslaughter

Louise Jury  
and John Litchfield  
Paris

Seven photographers were formally accused of manslaughter yesterday following the death of Diana, Princess of Wales, and could face up to five years in prison. But lawyers representing the men rejected the charges as politically motivated.

William Bourdon, lawyer for Nicolas Arsov, of the Sipa agency, said there was no justification for the action. "What is happening is showbiz justice," he said. "It is only the standing of the victims which explains this judicial spectacle."

The seven have also been placed under examination - one step short of a formal charge - for recklessly causing bodily harm and failing to assist victims of an accident. All the offences carry a maximum sentence of five years in prison and a fine of up to £50,000.

Five of the men, arrested at the crash scene on Sunday morning, were freed. The public prosecutor requested that two others - Christian Martinez and Romuald Rat - be kept in custody because of the seriousness of the evidence against them.

Following the announcement on Monday that the driver of the crashed car had been drinking heavily, there was speculation that the manslaughter and injury allegations would be dropped. But the prosecutor's office, and an investigating magistrate, Hervé Stephan, decided yesterday that there was a *prima facie* case which deserved further investigation.

The 350-page report presented by police and prosecutors to Mr Stephan rejects claims from the Fayed family that the photographers were directly responsible for the crash. It accepts the photographers' evidence that they were at least 100 metres behind the car when it crashed. But the report suggests that their behaviour in harassing the Princess and Dodi Fayed, began the chain of events which led to the tragedy.

Legal experts in France said they doubted whether such an accusation could be made to stick. However, there is substantial evidence that photographers impeded police and emergency services by taking pictures of the dying Princess in the wreckage at close range.

Mr Bourdon, lawyer for Nicolas Arsov, said his client was not even pursuing the Princess's car. He had mistakenly followed a decoy car, turned around and come across the crash scene. Another of the accused men, Jacques Langevin, is a much-praised war-photographer, who took some of the most striking images of the Tiananmen massacre in Peking. His agency, Sygma, said yesterday that he, also, stumbled on the scene of the crash and was not part of the pursuing paparazzi pack.

There has been a powerful wave of public opinion in France against the behaviour of the paparazzi including death threats telephoned to some picture agencies yesterday.

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## Mir astronauts are fined for their prang in space

Charles Arthur  
Science Editor

Now, you can even be fined for dangerous driving in space. The two Russian cosmonauts who were in charge of the *Mir* space station in June when a cargo ship crashed into it will have some of their salary docked, according to a formal commission.

The collision was caused "beyond any doubt" by human, rather than mechanical, error, said Valery Ryumin, Russian co-ordinator of the *Mir*-Nasa programme.

The decision followed a thorough examination of the flight data. Mr Ryumin said: "Personally I felt pity for the boys, but the facts remain. Most likely we will have to fine them, cutting the payments due under the contract. He did not say whether the fine is intended to cover the cost of repair, spacecraft are very expensive, and Russian salaries comparatively low."

The British-born Michael Foale, who was sleeping in a space station module when the accident happened, was appar-

ently not blamed. He is still on *Mir*, with a new two-man crew. The "boys" involved - flight commander, Valery Tsibilyev, aged 43, and engineer Alexander Lazutkin, aged 39 - had apparently anticipated the verdict. When they returned to Earth in August after a six-month stint on *Mir*, they blamed the collision on its ageing equipment.

"It's easy to find a scapegoat," Tsibilyev had told journalists within hours of landing. "But tomorrow a similar problem may happen with another cargo ship."

The crash occurred during a practice docking mission, and was the first involving a crewed spacecraft in orbit. It holed the Spektr module where Dr Foale was asleep. While sealing that off, the cosmonauts had to cut some power cables, which reduced *Mir*'s power sometimes to dangerously low levels. Orbit control systems and oxygen generators worked patchily until the cables were repaired last week.

Manoeuvring objects in space is a tricky business because they do not move in

straight lines, but in curves depending on their orbits. The cause of the accident was reckoned to be that the cargo ship was overloaded with rubbish off-loaded from *Mir*. This would make it move differently from one which was properly loaded - and so instead of docking safely it would overshoot the docking point and hit *Mir*.

Meanwhile, the current crew was busy yesterday preparing for a spacewalk, planned for Saturday, they will try to patch up the damaged station. *Mir*'s Russian commander, Anatoly

Solovoyov, and Dr Foale plan to practise first by spending about five hours in their spacesuits, in order to simulate conditions for their spacewalk.

Nasa has not yet given formal authorisation for Dr Foale to take part in the venture outside the station, which is expected to last close to six hours. But the Russians have been proceeding as if he will take part. Dr Foale has made only one spacewalk, in February 1995, and never before in a Russian spacesuit. American and Russian spacesuits are built and handle differently.

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**Scots poll doubt**  
A poll found support for a Scottish parliament with tax-raising powers below 50 per cent for the first time. The referendum will be held next Thursday.  
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## news

## significant shorts

## Boy, 3, suffocated while trapped in tumble-dryer

A three-year-old boy suffocated to death after climbing into a tumble-dryer during an innocent game of hide and seek with his pet dog. Jordan Hutchinson's body was found coiled in a foetal position inside the machine shortly after he had been reported missing to the police. His jeans had apparently caught the door, pulling it shut behind him. The machine was not on.

Paramedics fought to revive the boy, but he was taken to Newcastle General Hospital where he was pronounced dead. His parents were told that their son would have died in minutes because of the airtight seal.

A spokesman for Northumbria police said yesterday that there were no suspicious circumstances surrounding the death last Saturday afternoon. "A post mortem found he died from asphyxiation. He was not in there for any great length of time."

Tony Hutchinson, 29, described his son as "a lovely little lad... I don't feel like I have lost just a son, I feel I have lost my best mate too. He was such an intelligent little boy. He could hold his own in any conversation."

Clare Garner

## Girl 'could have removed vital tube'

A severely handicapped 14-month-old girl, whose mother is accused of murdering her, was strong enough to pull out a life-saving breathing tube by herself, a doctor told a court yesterday. Julie Watts, 31, is accused of killing her brain-damaged daughter, Abigail, in hospital by removing the tracheotomy tube from the little girl's throat. But a paediatrician, Dr Robert Downes, told Manchester Crown Court: "She was strong enough to pick up a toy and move it around. I think her grip was strong enough to pull out a tracheotomy tube."

The trial has heard that staff at Royal Manchester Children's Hospital heard Watts shout for help and found her daughter collapsed with the tube removed. She died in intensive care at the hospital. Watts, a psychiatric nurse of Little Hulton, Salford, Greater Manchester, pleads not guilty to her daughter's murder.

## Land Rover shows off its new baby



Land Rover today lifts the wraps off its new "baby" off-road vehicle - the Freelander - which will go on sale next January. The new four-wheel drive vehicle (left) will make its first appearance at next week's Frankfurt Motor Show. The Freelander is being built at Solihull, and has helped create about 500 new jobs.

Prices for the new vehicle will range from £15,000 to £20,000. Smaller than Land Rover's other off-road vehicles - the Range Rover, the Defender and the Discovery - the Freelander gives Land Rover the chance to compete in the small and medium four-wheel drive market, where it will be up against the Toyota Rav 4 and the Suzuki Vitara.

## Ulster prisoners may be released

The Government has given a broad hint that releases of both loyalist and republican long-term prisoners in Northern Ireland could be speeded up if the paramilitary ceasefires survive. The news will be seen as a move by the authorities to provide an incentive to both sides to maintain their cessations of violence. The IRA declared its second major ceasefire in July, while a loyalist ceasefire has been in existence since October 1994.

Most immediately, the news may have a calming effect in the loyalist paramilitary world, which has in recent weeks seemed dangerously restless. Loyalist spokesmen have recently complained that a number of concessions were being made to republicans, while loyalist prisoners were being ignored.

David McKittick

## Court told of drug 'execution'

Three drug dealers were gunned down in a country lane by two rivals who doubled-crossed them following a dispute over smuggled cannabis, a court heard yesterday. The three men were executed with shotguns as they waited in a Range Rover on a remote farm in Essex.

They had been lured there by the promise of a major cocaine deal, a jury at the Old Bailey court was told. But as Patrick Tate, 37, Anthony Tucker, 38 and Craig Rolfe, 26, all from Essex, sat inside the vehicle on the snowy night in December, 1995, they were shot in the head.

The prosecution alleges that the killers were Michael Steele, 55, from Clacton on Sea, Essex, and his right-hand man, Jack Whomes, 36, from Brockford, Suffolk, both of whom deny the charges. The case continues today.

Jason Bennetto

## Police chief admits careless driving

The Chief Constable of Sussex, Paul Whitehouse, is to plead guilty to a charge of careless driving, following an accident. Mr Whitehouse and his 16-year-old daughter suffered minor injuries in May, when their car was in collision with another vehicle on a country road near Tunbridge Wells, Kent. The female driver of the car and her two children also suffered very minor injuries. The incident took place while Mr Whitehouse was off-duty and no disciplinary action is to be taken against him. A spokeswoman for Sussex police confirmed yesterday that Mr Whitehouse would be pleading guilty by post to driving without due care and attention. He is likely to be fined and given penalty points on his licence.

## people



Darcey Bussell: 'Will only dance if she is at peak fitness' (Photograph: Laurie Lewis)

## Bussell injury poses problem as Royal Ballet goes west

Darcey Bussell is likely to pull out of her starring roles with the Royal Ballet this autumn as the company struggles to lure its audience across London.

The probable withdrawal through injury of the star ballerina is embarrassing for the company as it has plastered posters of her across the capital saying: "Follow Me To Hammersmith."

Bussell, due to dance Juliet later this month, has suffered a stress injury to her foot and is being examined by a specialist. A Royal Ballet spokesman said she had not yet officially pulled out, "but she will only dance if she considers she is at the peak of her fitness. We are awaiting the specialist's report."

Her injury is the last thing the company would have wanted at the moment. It has been conscious that its core audience may be unwilling to watch it perform at the Labatt's Apollo in Hammersmith while the Royal Opera House in Covent Garden is being redevelped.

This fear is proving correct. Figures from Royal Opera House sources show that well under 30 per cent of seats have been sold for the new ballet season which starts later this month - only half of the usual advance at Covent Garden. One insider said that ballet audiences did not associate Hammersmith with the glamour and grandeur of Covent Garden.

The withdrawal of Bussell would be a further headache for the beleaguered Covent Garden management. Mary Allen, the former Arts Council secretary general, who started in her role as chief executive of the Royal Opera House this week, will be told that sales of seats for the Royal Opera at its temporary homes of the Barbican Centre, Royal Albert Hall and the Shakesbury Theatre are also below what advance sales would have been at Covent Garden.

The management is already facing a tough autumn, even without the prospect of low audiences. An inquiry into the ROH instigated by the Government will report shortly, and next month Mary Allen will have to give evidence to the Culture Select Committee at the House of Commons, which is holding a separate inquiry into the Royal Opera House.

David Lister

## Speed-team Britons bid to go supersonic

Richard Noble (right) led the British team to America yesterday hoping to break the world land-speed record - but still £200,000 short of the money needed for the bid, due to start on Saturday.

The twin jet-engined Thrust SSC car is going to the Nevada Black Rock desert, where the crew hope to break the existing record of 633 mph - set by Noble at the same venue in 1983 - and go beyond the sound barrier of 750mph.

But cash shortages have bedevilled the attempts, and it was only a last-minute infusion of thousands of pounds which made it possible for the team to head off yesterday from Stansted airport in a giant Russian Antonov transport plane, which carried the 16-metre long, 10-tonne needle-shaped car and the 30 support crew.

Thrust SSC's driver, Squadron Leader Andy Green, has recovered from a broken ankle -



suffered at a swimming pool - and will be up against another potentially supersonic vehicle, Spirit of America II, driven by the veteran US racer and former world land-speed record holder Craig Breedlove.

"The two cars will probably start off at about 500mph and try to get 50mph faster with each run," said a Thrust spokesman.

"Richard's team has got enough money to fly out but need more if they are to stay in Nevada."

Charles Arthur

## Minister makes first return to Hong Kong

Lord Irvine, the Lord Chancellor, will visit Hong Kong next week - the first Cabinet minister to make an official visit since the handover to China on 1 July.

The Lord Chancellor's Department said the purpose of the visit was to "further the close relationship between the judicial and legal systems of Britain and Hong Kong."

Lord Irvine is already a known figure in the Hong Kong legal community after appearing in a series of cases in the Hong Kong High Court and Court of Appeal.

One case for the Hong Kong and Shanghai Bank, at the time of the signing of the Joint Declaration in 1984, lasted so long that his two sons attended school in the former British colony. He said yesterday:

"British ministers hope that Hong Kong can be a bridge not a barrier in our relations with China."

Patricia Wynn Davies

## briefing

## ENVIRONMENT

## Consumers given blueprint for a greener world

Consumers will have to do more than recycle bottles and paper if they want to save the planet, a watchdog group warns today.

The National Consumer Council says real progress will only be made when people give up their cars and realise the need to be more energy efficient. But the group claims consumers cannot do this alone, and calls for better environmental information and the manufacture of greener household products to make a real difference to the future of the world.

The report - *A Consumer Blueprint for a Greener World* - says 36 per cent of consumers claim to want to "do their bit" for the environment. But poor information means people see problems in terms of poor air quality and toxic waste rather than the big issues of global warming and sustainable development.

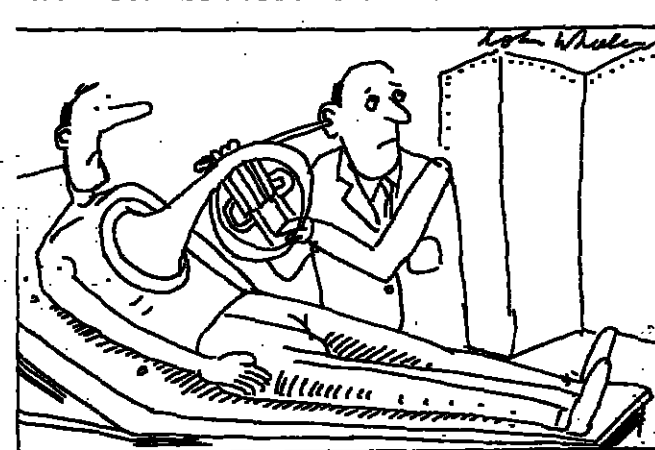
It says recycling "has a higher environmental reputation than it warrants" - creating pollution through cars and lorries delivering it to and from the bottle and paper banks. Instead, consumers need to cut back on the amount of waste produced in the first place. Even more important is the need to cut back on the energy used by domestic activities including cars, household heating and appliances which account for 50 per cent of the UK's energy use.

NCC chairman David Hatch said: "The report is a real eye opener. It reveals those weekend forays to the bottle bank and diligently choosing 'green' washing up liquid only scratch at the surface of the problem."

"What we need now is committed action by government to persuade local authorities, businesses, manufacturers and service providers to make positive changes that will enable consumers to act on their green concerns."

## HEALTH

## Musical doctors more in tune



Music is good for your doctor, researchers have found. The capacity to sing an aria or play a sonata may make the difference between a great diagnostician and a run of the mill physician. A study of doctors' skill with the stethoscope has shown that a musical ear can give a medic the edge in detecting abnormalities of the heart and lungs.

Results of the study of 450 specialists and GPs showed that, overall, the performance of the doctors was poor, with four out of five common heart problems that can be picked up by stethoscope going undetected. The researchers, from the Allegheny University of the Health Sciences in Philadelphia, US, describe this finding as "disturbingly low".

However, those able to play a musical instrument were better at the task than those who weren't. "A trained ear, whatever the reason for its training, may be a prerequisite for achieving proficiency in this skill," they write in the *Journal of the American Medical Association*.

Jeremy Laurance

## SCIENCE

## Researchers find the 'glue of life'

Scientists reckon they have detected the "glue" that holds life, the universe and everything together - actually an exotic subatomic particle called a "hybrid meson".

The discovery could be an important step to unifying theories about how the universe is constructed, and so how it came into existence. Though the particle has been predicted by theory since the late 1970s, it has taken years to design particle accelerators and experiments sensitive enough to detect it.

Professor Frank Close, at the UK's Rutherford Appleton Laboratory in Didcot, said: "Everything that we are made of - atoms, electron, and so on - is made of tinier particles called quarks, which are glued together in triplets. Every experiment before has been about putting energy in to excite quarks, and observing what happens. But it should also be possible, in theory, to excite the glue."

The discovery was made by physicists at the Brookhaven National Laboratory in the US. The results are published in this week's issue of *Physical Review Letters*. It follows a collaborative effort by teams at Brookhaven, Moscow, and various US universities.

Charles Arthur

## EMPLOYMENT

## Time-out perk for new fathers

Male workers are increasingly being given time off following the birth of their child, with some firms offering two weeks' paternity leave, according to a new report on employee benefits.

The average length of paternity leave is five days, according to a survey of 141 firms by the Reward Group, which researches pay and benefits. Two out of five firms surveyed offered time off to male workers, while a number of others were considering introducing the benefit.

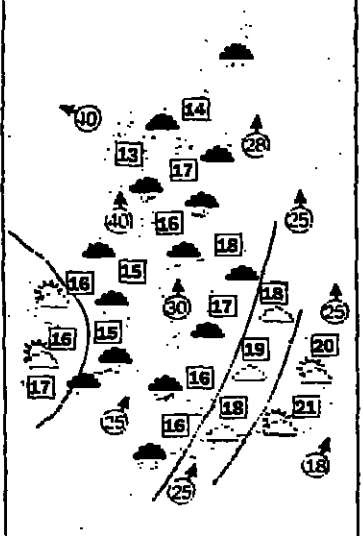
One in 10 firms said they operated "family-friendly" policies, ranging from flexible working hours and job-sharing to school term-time working and career breaks.

Only 4 per cent of firms had workplace nurseries or crèche facilities, which can cost workers up to £500 a place. Most of those polled gave company cars to senior managers, with the Ford Mondeo the most popular model.

## WEATHER

## The British Isles

## General Summary and Outlook



It will be a wet and windy morning in Scotland and Northern Ireland with gales over hills and exposed coasts. However, the rain will later clear these areas from the west to leave sunny spells and occasional heavy, blustery showers. Wales, Northern England and south-west England will also have a windy day with rain, heavy at times, while central England will have spots of rain turning steady in the afternoon. East Anglia and southern England will start dry with the rain not arriving until the late afternoon and evening.

On Thursday, any lingering rain will soon clear the south-east coast of England to leave a mix of sunny spells and showers across the country. The showers will be frequent in the north and west with the risk of thunder but very isolated in the south and east. There will be little change on Friday with further blustery showers in the north and west with the south and east staying mostly dry with the best of the sunshine.

Location	Temp	Wind	Cloud
Aberdeen	15	59	10
Anglesey	16	61	10
Arif	15	51	10
Belfast	16	61	10
Birmingham	18	64	10
Blackpool	17	63	10
Bournemouth	19	66	10
Brighton	17	62	10
Bristol	20	68	10

Location	Temp	Wind	Cloud
Cardiff	19	66	10
Carlisle	17	63	10
Dover	22	72	10
Dublin	18	64	10
Edinburgh	17	63	10
Exeter	18	64	10
Glasgow	19	65	10
Guernsey	18	64	10
Inverness	19	66	10

## Europe and The World

Location	Temp	Wind	Cloud
Amsterdam	17	61	10
Ankara	13	55	10
Athens	17	61	10
Auckland	12	54	10
Belgrade	17	61	10
Berlin	16	59	10
Bombay	26	79	10
Buenos Aires	17	61	10
Bussell	20	68	10
Bucharest	21	70	10
Budapest	17	61	10
Calcutta	27	81	10
Calgary	16	59	10
Cape Town	16	61	10
Caracas	31	88	10
Chicago	17	61	10
Christchurch	10	50	10
Colombo	18	64	10

## AA Roadwatch

London, Richmond Park between Kingston Gate and Ham Gate closed for roadworks until Oct 31.  
London, A306 Hammersmith Bridge. Closed until January 1998.  
Surrey, M25 38-10. Lane closures both ways until further notice.  
Staffordshire, A30 Stoke-on-Trent. Major works until March 1998.  
Leicestershire, M1 J24 and Searby Island. Work for the new Derby Southern Bypass.  
Greater Manchester, A58 Park Rd. Closed southbound between the A6 and Cheadle Road until Oct 24.  
Merseyside, A57 Bootle. Stanley Rd closed northbound until further notice.  
Tyne & Wear, A19 Newcastle area. Roadworks at Killingworth.  
West Yorks, M1 J47. Major long-term roadworks until Sept 15.  
North Yorks, A19 Thosaby-on-Teas. Roadworks.  
A1309 Bethnal Green Road. Long-term roadworks between Vallance Road and Cambridge Heath Road. Long delays expected.

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the funeral

Diana 1961-1997

# Palace concedes to public mood

Michael Streeter

The overwhelming demand of the British people to say farewell to Princess Diana is forcing Buckingham Palace to amend arrangements for the funeral procession on Saturday. Although they have ruled out lengthening the route through Whitehall, Palace officials are considering moves to narrow the width of the one-mile procession, on its route from St James's Palace to Westminster Abbey, in order to meet the huge demand from members of the public to snatch a final glimpse of the coffin.

At least one million people are expected to line the streets, bringing much of the capital to a standstill. Already train companies around the country have announced extra trains to meet demand for the day. A one-minute national silence will be observed at the end of the service, which begins at 11am; the service is expected to last 45 minutes. 500 representatives of charities linked to Diana will follow the official mourners, including Prince Charles and chief mourners Princess William and Harry, along the emotional journey.

They in turn will follow—probably on foot—the gun carriage carrying Diana's coffin. Although details have not been released, it is likely the carriage will be pulled by officers and men of the Royal Navy, as happened with the coffin of Sir Winston Churchill in 1965. Although the Palace and Scotland Yard have not released details, the presence of 100 or so Naval staff may be one of the few obvious signs of military paraphernalia on show—apart from those Royals with military backgrounds—in contrast with past Royal funerals.

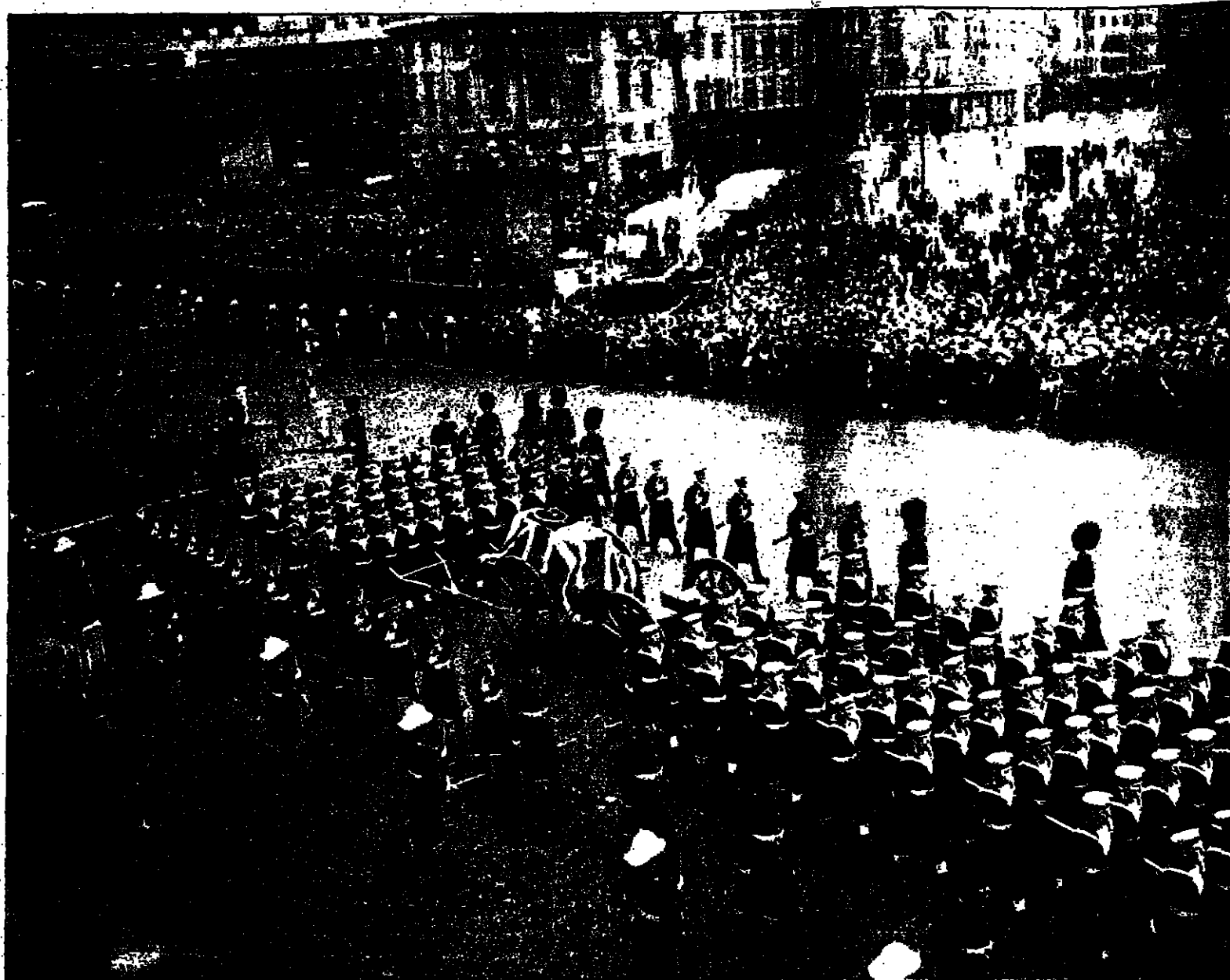
The crash barriers along the streets of the procession will be lined with uniformed officers from the Metropolitan Police, who are in charge of security. The route starts at St James's Palace, where Diana's coffin is lying in the historic Chapel Royal. It runs along Marlborough Road, the Mall, Horse Guards Road, Horse Guards Parade, Whitehall, Parliament Street, the east side of Parliament Square, Broad Sanctuary, to the great west door of Westminster Abbey. Once the procession has walked

sombrely to the Abbey, the charity group will then watch the service on a large screen, probably in Parliament Square, while senior officials from their organisation are seated inside the Abbey. At some point there may be a fly-past staged by the Royal Air Force. It is thought that the Queen and other senior Royals attending, including the Queen Mother (health permitting) and Prince Philip, will arrive at the Abbey by car. Suggestions that officials might extend the length of the route have been rejected, because of logistical

problems and fears about extending the time the young princes are in public. No decision has yet been made on the route to be taken by the funeral motorcade when the service ends, seen as another opportunity for the public to express its grief. A Palace spokesman said: "Consideration is being given to the width of the route. Obviously if it is narrower, more people will be able to line the route." No official guest list has been released following invitations to foreign dignitaries—chiefly from those

countries with a link to Diana—though it is known President Clinton will be attending. It is believed President Clinton was dissuaded from attending to ensure the funeral was not seen as a top-heavy State occasion; Hillary Clinton will come instead. Meanwhile announcements on who officiates and of the service itself may come later today. The desire of the Spencer family to have a major input in the arrangements means that traditional forms of Royal funeral services may not be incorporated.

## Even at 82, Queen Victoria left a nation unprepared ...



Pageantry and pomp: 'No one can do this sort of thing like the British,' said an American observer at Churchill's funeral in 1965, above. Mourners lined the streets of London, as they had for Queen Victoria in 1901, left. Photograph: Hulton Getty

In a strangely similar way, Queen Victoria's death, despite her great age, was unexpected. It might have been supposed that there would have been some forward planning for such an important event, particularly given that she was 82-years-old. This, however, was not the case and her ceremony in 1901, like Diana's, had to be planned from scratch in a matter of days. The late Queen's household pulled it off—just. Whereas the funerals of her predecessors had always been at night, Queen Victoria's took place in the daytime, a custom followed ever since. Other traditions—such as the dragging of the gun-carriage—also began with Victoria's send-off, albeit by accident. A mishap at Windsor station, brought

about the birth of a new royal tradition. As the coffin was placed upon the gun-carriage in which it was to be drawn to St George's Chapel, the horses of the Royal Horse Artillery kicked over and broke the traces. It was therefore suggested that the naval guard of honour should replace the horses and drag the gun-carriage to the castle. The effect was so striking that the practice has been followed at every sovereign's funeral since. Mishaps or no mishaps, the words of a man from Chicago as he gazed in wonder at Sir Winston Churchill's funeral ring true today. "No-one can do this sort of thing like the British," he said.

Despite its uniqueness, Saturday's ceremony will be stamped with the same solemnity as magnificent state funerals of the past. Just as Saturday 30 January 1965 went down in the history books as "a triumphant Churchillian day", so Saturday 6 September 1997 will be remembered as "Diana's day". On such occasions, the sense of loss is offset by the pageantry and pomp and the silence is set to music. The streets of London are lined with mourners, many of whom have stayed up all night with their thermos flasks of coffee. By 3am on the morning of Churchill's funeral there were more than 500 mourners out-

side the cathedral. By daybreak the humble and the mighty were crammed cheek by jowl, some on balconies and others squeezed into doorways. State funerals embody not only a person, but they capture a mood, become part of the British saga. In the case of Sir Winston Churchill, the nation was saying farewell to a man who had

saved their country. Similarly, Queen Victoria's death, coming as it did at the dawn of the new century, marked the end of an era. "She was our Mother," wrote Marie Corelli, the popular novelist. On the day of Sir Churchill's funeral hundreds of thousands watched the procession as his coffin was borne from Westminster Hall, up the Strand and Fleet Street, to St Paul's cathedral. Some planted themselves along the river so they could witness the quiet journey up stream to Festival Pier. After the ceremony the coffin was taken by launch from Tower Pier upriver to Waterloo Station on its way to burial. Everything was done with astonishing precision. Unlike Diana, who will be interred on the same day as the funeral, Queen Victoria's body was simply carried into Albert Memorial Chapel adjacent to St George's Chapel, where it lay for two days, until it was drawn in a procession to the mausoleum at nearby Frogmore to be reunited with that of the late Prince Albert. Merged with the crowd was

the press. While we will take for granted the television coverage of the princess's procession and funeral, for Churchill's funeral in 1965 it was a mass operation the likes of which no-one had known before. The television coverage was a story in itself. Cassandra wrote in the Daily Mirror of "the Great Pagan God Telly" and there were marvellous accounts of the BBC's 35 cameras. Live television coverage had the biggest audience ever recorded—350 million in Europe alone. Churchill's funeral, one of the most complex technical operations in television history, went virtually without a hitch. Although the BBC had been planning the event for five

years, it had only five days for practical preparations. Richard Dimbleby narrated for the BBC and Sir Laurence Olivier for ITV. The world stood still for Churchill, just as it will on Saturday for Diana. Stores, cinemas and theatres closed. Footballers and racegoers stood, heads bowed, in one minute's silence. Big Ben framed the day's mourning. The mighty 13-ton bell struck at 9.45am and then fell silent. At midnight, the clock which had heralded all Churchill's great wartime speeches began to strike again, announcing the dawn of the first day without the man who had been at the helm of people's lives for generations. For many, this Sunday will seem similarly strange.

The British are particularly good at organising great state occasions, reports **Clare Garner**

**On such occasions, the sense of loss is offset by the pageantry and pomp**

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Diana 1961-1997

the tributes

# Memorial fund will back her causes

Kathy Marks

A memorial fund is to be set up in the name of Diana, Princess of Wales, to channel charitable donations to the causes that she championed during her lifetime.

Charities with which she was associated have been deluged with calls from people who wished to donate money as a mark of their respect and affection.

The announcement of the Diana, Princess of Wales

Memorial Fund, by Buckingham Palace yesterday, is a response to that explosion of philanthropic sentiment. The fund will be coordinated and administered at Kensington Palace, which was her London home.

At the height of her charity work, the Princess was patron or president of 100 charities, acting as a high-profile magnet for donations. After her divorce and decision to retreat from the public spotlight, she severed

links with all but six.

Buckingham Palace said yesterday that the details of how cash given to the memorial fund would be allocated had yet

to be determined.

But the core charities with which Diana remained associated – the National Aids Trust, the Leprosy Mission, the Eng-

lish National Ballet, the Great Ormond Street Children's Hospital, the Royal Marsden cancer hospital and Centropoint, for the young homeless – are likely to

be among the main recipients of donations to the memorial fund. Another cause for which she campaigned passionately, and which will probably benefit

from the fund set up in her honour, is the British Red Cross's crusade against anti-personnel landmines.

The announcement was welcomed with enthusiasm by the charities for which she was still working at the time of her death. They said they had been planning to meet to coordinate their response to the flood of offers of money from the public.

Gavin Hart, a spokesman for the National Aids Trust, said: "After the terrible tragedy on Sunday, a lot of people felt there was a need for an enduring memorial that would sustain Diana's work on the wide range of issues in which she was involved."

"But it must be said that nothing will compensate for losing such an impressive ambassador for Aids causes around the world."

Victor Adebawale, director of Centropoint, said the fund was a fitting way to remember a "remarkable human being who meant so much to us".

"It is obvious that the public wants to remember a princess they loved, in a way she would have approved of," he said.

"The announcement has given us the direction that is needed."

Centropoint is setting up its own fund for donations made in Diana's memory. The Leprosy Mission is considering giving her name to a centre under construction in India for the rehabilitation of leprosy victims.

An office was set up at Kensington Palace yesterday to handle donations to the memorial fund, but it will not become fully operational until after Diana's funeral.

The fund is to be administered by staff who worked in the Princess's private office at the palace. Other details, such as names of trustees, will not be decided until next week. "We are up and running in the sense that we are receiving cheques, but at the moment we are all working on the funeral," a spokeswoman said.

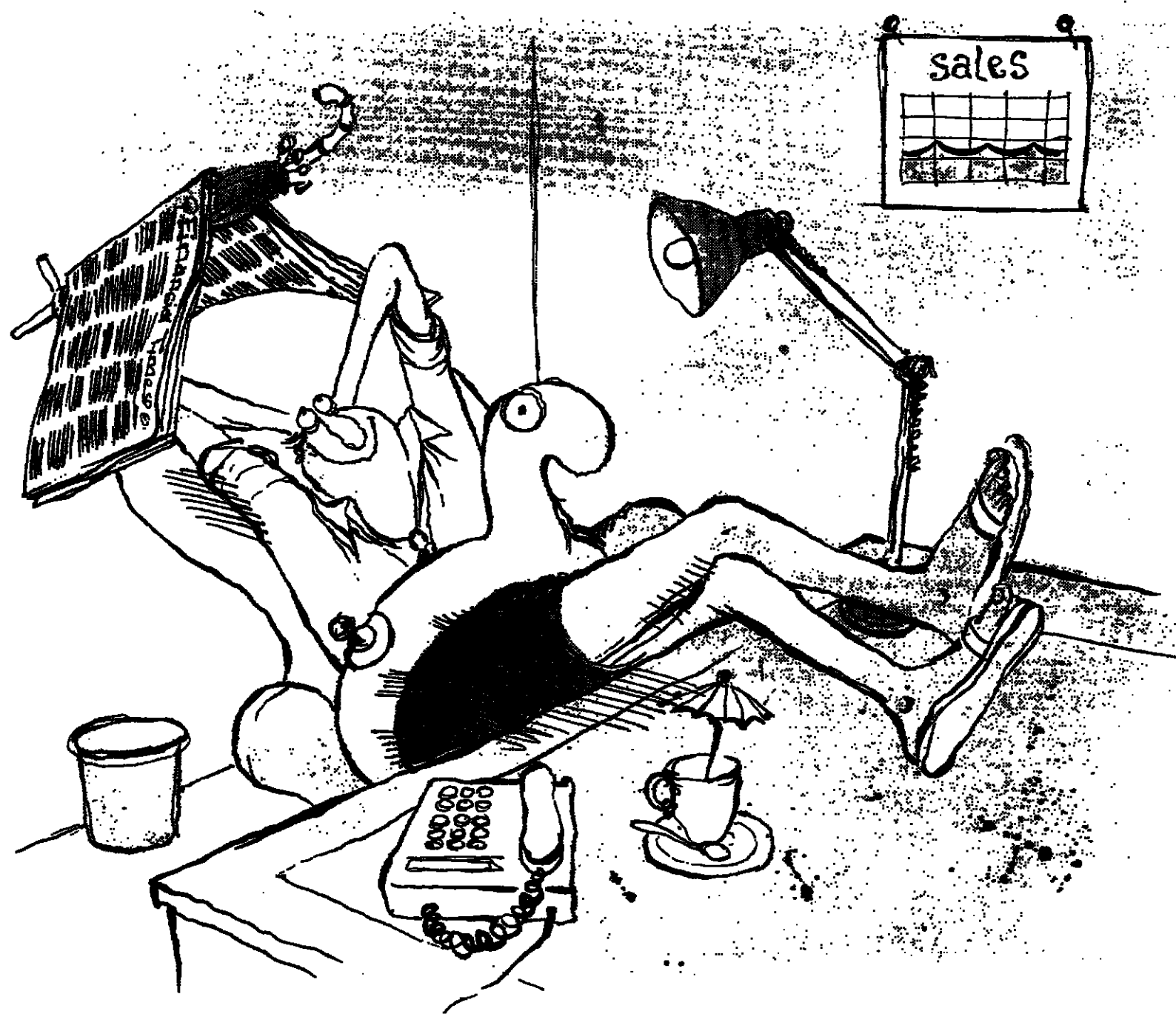
Buckingham Palace said people who wished to make donations should send cheques, made out to "The Diana, Princess of Wales Memorial Fund", to Kensington Palace, London W8 4PU.



Flower show: a passer-by places a bouquet of lilies yesterday amongst the hundreds of other floral tributes to the Princess of Wales outside St James's Palace. Thousands continued to queue in the hope of signing the books of condolence in her memory

Photograph: Brian Harris

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## More join the big shutdown as Britain plc shows respect

Amanda Kelly

Hundreds of stores, theatres, cinemas, banks and radio stations joined the groundswell of organisations planning to close or observe a silence on Saturday as the Princess is laid to rest.

Prince Charles has cancelled all his engagements for next week, including working trips to Berlin and Prague, in order to continue comforting his two young sons.

Buckingham Palace has made no official request for the general public to mark the occasion, saying it was "up to the individual" to do so, but there are few bodies that will not be honouring the event in some way.

But while all major sporting fixtures in England have been cancelled on Saturday, Scotland decided to hold the World Cup qualifier between Scotland and Belarus. Last night, the Scottish Secretary, Donald Dewar, voiced "great concern" at the scheduling.

Transport networks up and down the country will come to a standstill, although extra trains will run on Saturday to bring into London the many thousands who will line the route of Diana's funeral procession, and all main-line stations will observe a two-minute silence at 11am. London Underground will also operate extra services on the District and Circle Lines, but Westminster Tube station will be closed all day.

Insurance companies are even offering to pay out claims by couples who want to postpone their weddings on Saturday, out of respect for Diana's funeral. A spokesman for Ecclesiastical, which sells about 300 policies for wedding insurance each year, said: "In view of the unprecedented circumstances, we would pay out if they felt they could not go through with it. But we would want people to contact us before then, because we are closing on Saturday."

Sotheby's announced last night that the auction of the collection of the Duke and Duchess of Windsor, between 11 and 19 September, has been postponed indefinitely.

Britain's busiest port, Dover, will come to a total standstill at 11am, with all cross-Channel ferries and hovercraft halting in

the port and hundreds of passengers being asked to stand for two minutes' silence.

Planes are expected to be rerouted away from central London during the ceremony, and British Airways will be showing television tributes to Diana on in-flight entertainment screens.

The Department of Trade and Industry, the CBI and the Federation of Small Businesses yesterday urged bosses to be flexible and to respect the wishes of workers who wanted to pay their respects to Diana.

Marks & Spencer, Barclays Bank, Blockbuster video and The Cancer Research Campaign were among the hundreds of businesses and other organisations which announced yesterday that they would not be trading on Saturday morning.

The London department store Selfridges said that, as well as closing until 1pm, it would be

**"I am in no mood to do jokes on my show"**

Chris Evans

making a donation from the day's takings to one of the Princess's favourite charities.

And while hundreds of museums, including the Victoria and Albert Museum, will shut their doors for the morning, the Royal Academy will be staying open and asking for donations towards two of Diana's favourite charities, instead of the usual £5.50 admission fee.

Some pubs are expected to close throughout the day while others will open especially to provide a focus for people watching the funeral on TV.

Other gestures have been made by entertainer Chris Evans, who scrapped his *TFI Friday* show because he was said to be in "no mood for jokes", and film distributors UFA, who have postponed releasing *That Old Feeling* – a romantic comedy featuring a paparazzi photographer.

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# Lament of America's Di generation

Mary Dejevsky  
Washington

When, in a few weeks perhaps, Britain starts to emerge from the self-absorption of mourning, it may begin to realise that the loss of Diana, Princess of Wales, has implications that go far beyond its own shores. Abroad, Britain will be diminished by her death to an extent that Britons themselves can hardly imagine.

I have just returned from 3100 Massachusetts Avenue in leafy north-west Washington, the address of the British Embassy. The broad avenue, lined with diplomatic missions, snakes up a gradual hill from the city centre. You can be there any day of the week and there will be no one in sight, and only an occasional (diplomatic) vehicle sweeping past.

For the past 48 hours it has been the scene of a never-ending procession of slow-moving cars and pedestrians. Families, couples, groups of friends and individuals are making their personal pilgrimage to say farewell to Diana. Many carry flowers, some a small toy, others a card or a message.

There is a queue half a mile long to sign the book of condolences, but many ignore the formalities. They have their own ritual. A pause, head bowed, in front of an expanse of flowers and messages that resembles an ever-growing shrine; the tribute laid, another pause, a photograph taken for the family album.

This scene is being repeated across America, wherever Britain has a representation: in New York, Chicago, Houston and elsewhere. And as striking as the numbers of people arriving is the sort of people they are: not America's aristocracy-groupies, nor the celebrity-seeking "grannies". Nor are they predominantly expatriates, though there is a good sprinkling of them, too.

The only way to describe them is as "ordinary" people. Many are the young and young-

middle-aged - the "Diana" generation. Couples have brought young children, groups of teenagers and students have come, not to sneer or to gawk, but to pay their respects.

There are gay and lesbian couples, demonstratively holding hands; visitors in wheelchairs or on crutches, and most extraordinary of all, in this very white part of Washington, is the proportion of blacks and Hispanics for whom upper Massachusetts Avenue is alien territory. There is anger as well as sadness in the air: one man made a bonfire of a Los Angeles newspaper, of current editions of *The Globe*, a tabloid newspaper, in protest at the use of "stalkerazzi" pictures.

In the United States, people have tried to explain the intensity of public emotion by saying that Diana, with her mixed-up life, her concern for her children, her eating disorders, her public divorce, her struggle to balance the private and the public and her report to the confessional, was a figure Americans were able to relate to.

That may be the American explanation, but it is not the whole story. There have been similar public outpourings elsewhere in the world, and the complexion of the crowd appears similar. Outside the hospital in Paris where Diana died, there were more black and brown people than you would see in most Paris crowds. Whatever the truth of Diana's life and her personal misjudgements, whatever the privileges she was born to and married into, ordinary people abroad, as well as at home, felt she was on their side. Formal condolences from state leaders give barely a hint of the affection and regard in which the Princess was held.

This creates for Britain abroad a problem similar to the one that now faces the Royal Family at home. The monarchy has lost at a tragic stroke all that was young, beautiful, sympathetic, accessible and even relevant about royalty for Britons.



Burning issue: US photographers watching Jack McGrath as he sets light to a tabloid in protest at 'stalkerazzi' pictures Photograph: Vince Bucci/AFIP

**An endless procession makes the pilgrimage to say farewell**

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Even in the poorest nations the flags fly at half mast

Marcus Tanner

For some, thousands of miles from the scene of the princess's death, the burden of grief was just too much. In Pakistan, a 59-year-old man who had his photo taken with Diana, when she visited his village in May, killed himself. He took up a few minutes of her life, but Shehnaz Shafi swallowed poison in the eastern city of Gujrat when he heard of her death - his precious picture of himself and Diana in his pocket.

And in Hong Kong, a man jumped to his death from a 33rd storey window yesterday. Behind him he left his pile of newspaper reports of the princess's death. Outside, Avid collectors rushed to snap up old stamps featuring the late princess as dealers jacked up prices by hundreds of Hong Kong dollars.

A handful of suicides by people perhaps already highly disturbed. But in many of the world's poorest countries there was real grief for the princess who both dazzled and comforted them, and fears that her work might now be forgotten.

In Angola, which the princess visited in January as part of her campaign against the sale and manufacture of landmines, some of those who saw her during her visit said they feared the cause she championed would be abandoned. "She was genuinely interested in our suffering," said Jose Sarita, a 35-year-old former soldier with the government army, who had his leg blown off by an anti-tank mine. "Now that she is dead we don't know who will take up the fight."

In Sierra Leone, the country's military rulers ordered flags to fly at half-mast until the funeral service in London on Saturday. Kenya's president, Daniel arap Moi, also ordered flags to be flown at half-mast for five days. In Addis Ababa, the Secretary-General of the Organisation of African Unity paid tribute to Diana, saying "many of the causes she espoused were very dear to Africa".

In other commonwealth countries, grief was expressed in a more conventional style. Australia's Prime Minister, John Howard, the Queen's representative in Australia, Governor-General Sir William Deane, and other politicians and diplomats, packed the tiny St John's Anglican Church in the Canberra suburb of Reid for a memorial service at which Mr Howard read a lesson from the Bible.

"Not since the assassination of President John F Kennedy has the world community reacted with such universal dismay," said the Anglican archbishop of Sydney, who conducted the service. The New Zealand Parliament has canceled regular business after conducting a condolence motion. Memorial services will be held in cities around the country to coincide with the funeral service.

In many quarters, the princess's death has stirred the republican debate. Some dissent. The death of the Princess was Britain's punishment for the decapitation of the 19th century Aboriginal warrior Yagan, an aboriginal activist said Tuesday. "Because the Poms did the wrong thing, they now have to suffer."

the own a ple speed

Chris Gray





# Junket inquiry council admits failings

Christian Wolmar  
Westminster Correspondent

A local authority under police investigation for alleged corruption has admitted to an extraordinary series of failings by councillors and senior officers.

A highly self-critical report by two senior council officers of Doncaster council lists wide-ranging failures by their colleagues and councillors in the Labour-run authority.

The report will stimulate Tory criticism of sleaze in Labour's own back yard and suggests that future inquiries into the affair will be deeply damaging. While couched in bureaucratic language, the criticism is of a strength rarely seen in local government reports.

The inquiry team, led by the legal services director, Judy

receipt of gifts and hospitality on the part of some members and officers" and "a failure to comply with rules on this and on declarations of interest".

While the investigation started over allegations of junketing it has spread to cover more serious abuses of the planning process. In this respect, both members and officers had fallen short of the "highest standards of conduct".

The report's authors add: "There is also strong evidence of undue influence, of oppressive behaviour by some members towards officers and/or fellow members... seeking to influence proper process".

This was a breach of the National Code of Local Government Conduct, the report says. The failure to observe these procedures has "contributed to fundamental problems ranging from breaches of standing orders to alleged criminal activity". There was also a "lack of openness".

The report recommends action including setting up a committee to "address issues of probity and good practice", the recruitment of a chief internal auditor, the introduction of a whistleblower's charter and mandatory training for councillors on "planning law, procedure and the decision-making process".

Malcolm Glover, who became leader of the council after his predecessor, Peter Walsh, was alleged to have gone on unauthorised council trips, said: "The council is currently facing the closest scrutiny in its history and this report and its proposals will help us take the necessary steps required to repair our image."

Doncaster is also the subject of inquiries by the district auditor and the Labour Party which has suspended five councillors and the district party.

The *Independent* revealed last month that 40 councillors, including some Tories, had been written to by the district auditor asking for their views because he intended to name them in his report.

**'There were inappropriate receipt of gifts and hospitality and a failure to comply with rules'**

Rolston, and the social services director, Ian Cartwright, says that for several years "certain aspects of the management of the council, by a number of members and senior officers, has not operated effectively to determine policy, set standards and promote proper and effective decision-making".

Moreover, "checks and balances which should have safeguarded the council have often not done so".

The report singles out "some members and some senior officers", in particular the former chief executive, Doug Hale, and the former finance director, John Smith, both of whom have now left the council. It finds several instances of "inappropriate



Restoration play: Enjoying croquet at Jacobean Chastleton House in Oxfordshire, which after years of work has been returned to its pre-Civil War state

Photograph: Tom Pilton

## Back to life: the house where time stood still

Stephen Goodwin  
Heritage Correspondent

One of England's most complete Jacobean houses opens to the public next week after a £3.2m scheme to stop its decay turning into dereliction.

To say that the National Trust has "restored" Chastleton House, in north Oxfordshire, would be to belittle six years of sensitive work done by specialists and craftsmen. They used as light a touch as possible on the house which, until six years ago, was owned by the same family that bought it in 1602 from Robert Catesby, who was later the mastermind of the Gunpowder Plot.

Much of the furniture and fittings from that period are still at Chastleton, and, apart from the weathering of its Cotswold stone, the exterior of the house has barely changed. It stands by a 12th-century church, down narrow lanes wrapped in a gentle breath of decay.

Only one event of any significance occurred at Chastleton, but from it stemmed the family's poverty and, paradoxically, the house's preservation.

In 1651 Arthur Jones, the grandson of the man who bought the house from Catesby, fought alongside Charles I at the Battle of Worcester. After their defeat, Jones fled to the house and, with Cromwell's men in hot pursuit, hid in a secret room over the porch.

Having found Arthur's exhausted horse in the stable, the Commonwealth soldiers thought

that they had their man cornered and demanded supper and a bed from Jones's wife, Sarah. She drugged their ale with laudanum, and, while they slept, Arthur escaped on one of his enemies' horses.

Arthur Jones celebrated the Restoration by planting two oak trees at Chastleton which still survive. However, the family never recovered financially from the fines imposed on them as Jacobite sympathisers.

When the trust took over the house with the aid of grants from the National Heritage Memorial Fund, snow blew from eaves to end of the barrel-vaulted Long Gallery, one of the finest rooms in England, and the furniture

was beetle-infested. Even today, the tapping of the death watch beetle can still be heard in the timbers. In the gardens, lawns have been reinstated as they were when the rules of croquet were codified there in 1865.

The house and gardens will open on 9 September. There is a ticket system intended to limit numbers so that visitors can savour the timeless tranquillity which is Chastleton's special quality.

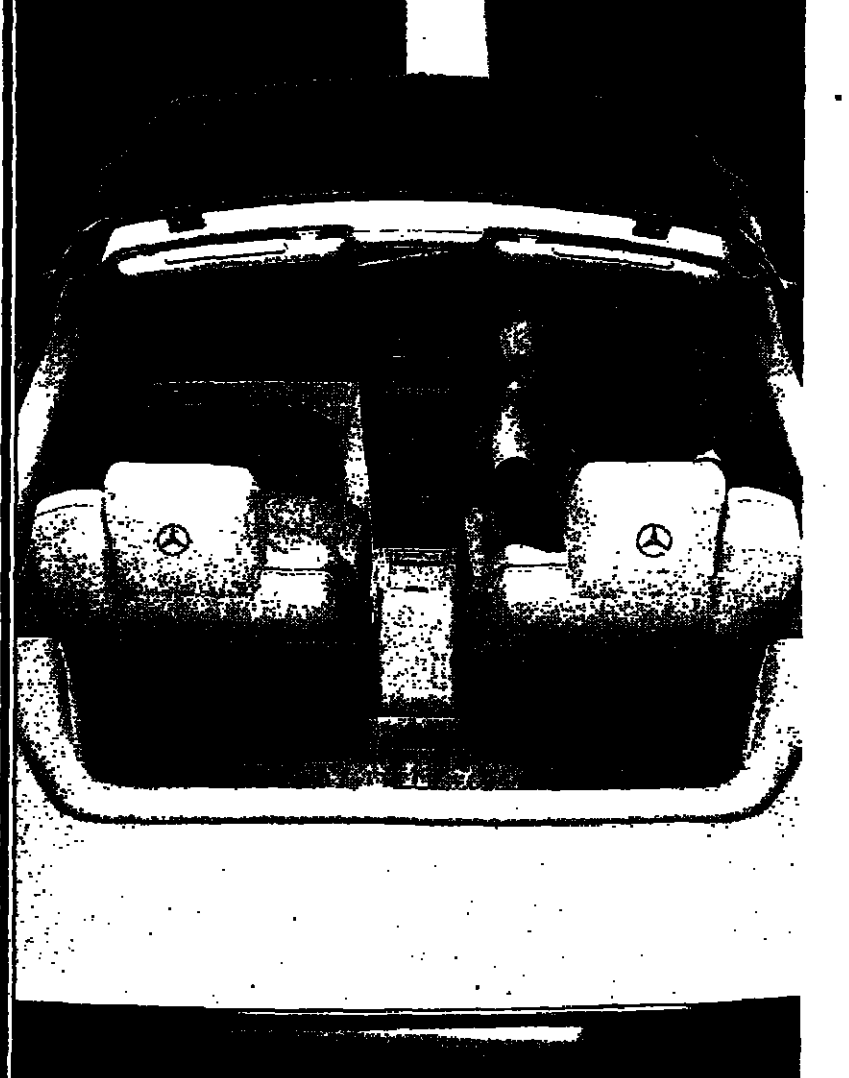


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# Scots' support for tax powers falls below 50%

Fran Abrams  
Political Correspondent

Support for a Scottish parliament with tax-raising powers has dropped below 50 per cent for the first time, according to a poll published yesterday.

The survey for the *Glasgow Herald* newspaper showed 47 per cent of Scots likely to vote "yes" on the tax question in the 11 September referendum, 7 per cent less than a similar poll a month ago. Thirty-two per cent said that they would vote "no".

A clear majority are still in favour of the setting up of the parliament, however, with 61 per cent saying they would vote "yes" and 23 per cent saying "no".

Although the figures still show that a clear majority of those who have decided will vote "yes, yes", there was disappointment among campaigners for the parliament yesterday.

Recent polls, including some carried out privately for the Scotland Forward pro-devolution group, have shown a slow erosion of support for their cause.

The number of people undecided on the tax question rose in yesterday's poll from 19 per cent to 21 per cent, while those undecided on

whether they wanted a parliament at all remained the same at 16 per cent.

There was further dissent over the referendum yesterday as Tam Dalyell, the long-time anti-devolutionist and MP for Linlithgow, called for the vote to be delayed. He told BBC Radio 4's *World at One* programme that because of the suspension of campaigning until after the funeral of Diana, Princess of Wales, on Saturday, people would not have had enough time to make up their minds.

"This gives us precisely four days, three if you don't count Sunday, and for such a crucial decision there should be a longer campaigning time," he said.

The referendum could easily be postponed until May or June next year, he added.

Donald Dewar, the Secretary of State for Scotland, said on the same programme that the referendum would go ahead as planned, and he argued that the technical difficulty of recalling Parliament to stop it would be "formidable".

"I think people in Scotland are very well aware of the issues. We have had a very sad and tragic week but I think people will be able to move on from that... they will be able to concentrate on what is un-

doubtedly an important vote and make their voices heard and their views known," he said.

Mr Dewar said that he had thought hard about the possibility of delay, but did not think the Scottish people were "so unsophisticated" that they could not grieve for the Princess as well as consider the issues involved in the devolution debate.

"I think people will want to get a decision taken. I think it is time for that decision after all these years of debate."

"I think that the feeling of uncertainty and anticlimax would in fact be regretted afterwards if we didn't push ahead," he said.

"I think it would be wrong, in fact, to call all this off and to start all over again at some uncertain, indeterminate future date. I think Scotland wants to make up its mind now."

The campaign had been longer than was normal in a general election, he added, and if the vote was put off it would have to be delayed for some time.



Sitting in judgement: Jazz singer George Melly (in stripes) joining the jury for this year's John Moores exhibition, which opens at Liverpool's Walker Art Gallery on 7 November. The winner of the £20,000 prize will be announced on 5 November. Photograph: Craig Easton

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## Tough new rules to stop dumping of oil rigs at sea

Nicholas Schoon  
Environment Correspondent

The Government yesterday announced tough policies to curb marine pollution which, it claimed, reversed previous Tory policies and put pressure on other European nations to clean up the North Sea.

The move, announced at the start of international negotiations on sea dumping, were warmly welcomed by the environmental group Greenpeace which had been closely consulted by the environment minister, Michael Meacher.

The Government wants further curbs in the levels of nuclear waste discharges from Britain's two nuclear reprocessing plants, Sellafield in Cumbria and Dounreay at Caithness.

Redundant oil and gas rigs will have to be brought to shore to be dismantled, then disposed of or recycled, rather than dumped at sea. Only if it was unsafe or "impracticable" to do so

would exceptions be made — circumstances which apply to a small number of massive concrete structures in Britain's northernmost offshore oil fields.

The previous Government had argued that the disposal of redundant deep-sea rigs should be dealt with on a case-by-case basis, although it had agreed that all rigs in shallow waters should be brought back to land.

Mr Meacher also announced that industrial pollutants would have to be curbed to the point where levels of any synthetic, man-made chemical in the oceans would be "close to zero". That meant a complete phase-out of any hazardous pollutants "within a generation" — taken to mean about 25 years.

Britain would never seek to dump any solid nuclear waste at sea, he added. The last government had also agreed to an international ban on dumping nuclear waste at sea lasting at least 25 years, but had wanted the option of reviewing this

commitment after a scientific revaluation, scheduled for 1919.

There had been speculation that Britain might want to dump parts of its decommissioned nuclear submarines at sea in the long-term future. The Ministry of Defence yesterday confirmed the vessels — 11 have already been decommissioned — would be disposed of onshore.

Officials from the Department of the Environment have explained the new policy at a meeting in Brussels this week of the Oslo Paris Commission (OSPAR), a 14-nation body which regulates dumping and pollution in the north-east Atlantic.

Mr Meacher said on BBC Radio 4: "This is the most important change in UK marine policy for at least a couple of decades."

Greenpeace UK executive director Peter Melchett said: "The UK Government is, for the first time, giving British industry a clear, positive and accurate signal about the long-term need to stop polluting our seas."

## Police find explosives after blast kills man

Tony Meath

Police raided a house in Brecon yesterday afternoon after one man was killed and another seriously injured in an explosion in a nearby house on Monday night. Detectives discovered a number of sticks of British made PE4 military plastic explosives.

The blast occurred shortly before 10pm on Monday night prompting a massive police operation which continued throughout yesterday.

The area remained cordoned off with scores of police officers, fire brigade and ambulance personnel and army bomb disposal experts on stand-by.

Detective Chief Superintendent Jeff Thomas, head of

Dyfed Powys CID said yesterday evening: "The explosives were unlawfully obtained. We have no knowledge of them being distributed."

The two men are known to the police but had no reason to be handling explosives. At this stage there is no indication of any terrorist link whatsoever.

"We urgently require information regarding these materials and appeal to anyone with information to contact us."

Police are liaising with the military in an investigation which is expected to last a considerable time.

The explosives, in eight inch long and one inch wide sticks, were wrapped in white grease-proof paper.

Mr Thomas displayed one stick at a news conference in Brecon Police Station and remarked: "Just two of these caused the explosion which virtually demolished number 8, Dorglas on Monday night."

Several houses on the Brony Crug estate, where the explosives were found, were evacuated after the blast. The house itself is about 400 yards from Brecon Barracks, the headquarters of the army in Wales.

Police identified the man who died on Monday night as 30-year-old Andrew Cridland.

The wrecked house was being demolished yesterday evening after Mr Cridland's body had been recovered from the ruins.

## Adams finds US muted

Mary Dejevsky  
Washington and David McGillick

Gerry Adams, the leader of Sinn Fein, arrived in the United States yesterday for his first visit since the breakdown of the IRA ceasefire last February, basking in the British Government's decision to invite Sinn Fein's representatives to join the all-party talks on the future of Northern Ireland.

Mr Adams is likely to find his reception in the United States unusually muted. The British Government's invitation, and Sinn Fein's agreement, to join the all-party talks last week has removed the appearance of exclusion that made Sinn Fein appear a victim even to non-sympathisers in the US. He will also find the American public and the television networks preoccupied with the death of Princess Diana and in

a more pro-British mood than at almost any time in recent years.

Many of Mr Adams' official engagements in the US — two days in Washington and one in New York — are with republican sympathisers or the media. He is, however, expected to meet the National Security Adviser, Sandy Berger, who has been the main point of liaison between the US and British governments over Northern Ireland.

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# Cook's opium war broadside backfires

Richard Lloyd Parry

The risks of the Labour Party's new "ethical" foreign policy have been dramatically illustrated with the threat of a boycott of a summit meeting in London by Asian countries determined to show solidarity with the military government of Burma.

The threat was made by the Prime Minister of Malaysia, Mahatir Mohamad, hours after a blistering attack on the Rangoon regime by the British Foreign Secretary, Robin Cook. Dr Mahatir said members of the Association of South-East Asian Nations (Asean) may not turn up to the second Asia-Europe Meeting, due to be held next April in London, if Britain refuses a place at the table for the Burmese junta.

"If there is discrimination against Myanmar [Burma], it is a discrimination against Asean," he said in Kuala Lumpur late on Monday night. Earlier in Singapore, Mr Cook rounded off a five-day tour of South-East Asia by exhorting Burma's State Law and Order Restoration Council (Slorc) as "not only a deeply repressive regime, but... also a deeply irresponsible regime" for its suppression of democracy and its collusion in the drugs trade. He said the common European policy of denying visas to members of the Slorc made it "impossible" for Burma to attend the Asia-Europe

Meeting, which has hitherto brought together the EU, Asean, Japan, China and South Korea.

Despite vigorous opposition from Europe and America, Burma was formally admitted to Asean in July. But British diplomats say this does not automatically entitle it to a seat at the table in London. It seems Dr Mahatir's comments mark the opening salvo in what will be an increasingly tense battle



Mahatir: Attack on Burma is an attack on Asean

in the run up to next spring's meeting. "The swords are being drawn," said one diplomat. "Malaysia is saying, 'We would never dictate whom you bring to the table - why should we be dictated to by you?' The problem is not going to go away."

Mr Cook met with Dr Mahatir last week, though the Foreign Office was unable to say yesterday whether the ques-

tion of Burma's attendance at the London meeting had come up directly.

Any boycott of the London meeting would be a devastating blow for relations between Europe and Asia but, for the moment, such an outcome appears highly unlikely. Dr Mahatir has a reputation for provocative sound-bites (he recently described the currency speculator, George Soros, as "a moron"), after the Malaysian ringgit sank sharply on the exchanges) but he is a respected figure within Asean, with a disdain for what he regards as Western preaching on human rights issues.

Among the other Asean countries, Vietnam has already indicated its support for the Malaysian position, and the question is likely to dominate a meeting in Luxembourg next month of senior officials from Europe and Asia.

Any sign of a climb down over Burma would be damaging to Mr Cook's credibility after the strong line he has adopted over human rights, and which he emphasised throughout last week's trip. A Foreign Office spokesman yesterday ruled out any compromise. "The Foreign Secretary said what he said. If there was a complete U-turn within Burma, we'd be in a different situation," he said. "For quite some time now we've been pressing them to change their ways, but there is no evidence they've paid any heed."



Opium traders on the Burmese-Thai border: Robin Cook has accused Burma's government of collusion in the drugs trade. Photograph: Camera Press

## 'I have not backed down on human rights'

Robin Cook tells Steve Crawshaw of his hopes for democracy in South-East Asia



Cook: 'Pressure only works if it is part of a co-ordinated effort'

"Cumulatively, each of these drips wears away at the stone of resistance." Thus Robin Cook sums up the hoped-for effect of his four-country tour of South-East Asia, which ended with his return to Brize Norton in the early hours of yesterday.

In an interview on board his RAF VC10 from Singapore, Mr Cook argued that Britain cannot do it alone: "The pressure we apply on a country like Indonesia will only work if it's part of a co-ordinated pressure from other countries."

The government in Indonesia was hardly rocked to its foundations by Mr Cook's visit. Instead, the Indonesian Foreign Minister talked suavely of "concrete co-operation" between Britain and Indonesia, "especially in the field of human rights".

In Malaysia, implied criticism of the government's stance on human rights was firmly rejected. Malaysia's determination not to be pushed around became even clearer yesterday, when it defied Mr Cook by insisting - as reported above - that Burma should come to the Asia-Europe Meeting (Asem) in London next year.

In Singapore, where press freedom is an important and controversial issue, Mr Cook appeared only to have raised the matter with his hosts after journalists asked about it at his final press conference.

In other words, this was not a trip of grand confrontation. Mr Cook studiously avoided saying the kind of things which might make him *persona non grata*. This can be perceived as

weaselling out - or as playing a long game. Mr Cook believes that "it is a question of finding a balance", and insists it is better not to be seen to wield a big hammer.

"What I said on human rights was listened to, because it was not a lecture... I would strongly contest the suggestion that I've backed off in any way," he told *The Independent*.

He is determined that the issues of trade and human rights should not be seen as an either-or. Mr Cook seemed close to bottling out of direct confrontation, at some points - as though he had been Sir Humphrey out of his proclaimed commitment to human rights. And

yet, historical comparisons make it clear that the trip cannot be written off as irrelevant grandstanding, or as pinpricks in an elephant's hide.

In 1975, the Soviet Union signed up to a raft of human rights guarantees - and then ignored those commitments. At the time, the Helsinki accords were regarded by many in the West as a cop-out, because the West had no way of forcing Moscow to comply. In reality they provided a benchmark which helped the democratic opposition throughout the Soviet bloc. The commitments were modest, but laid the foundation for enormous change, in the years to come.

There is no certainty that Mr

Cook's mission will seem successful. It is also clear the most difficult challenges are yet to come. On Saudi Arabia, for example - a rich and powerful ally, whose track record on human rights makes Indonesia seem a democratic nirvana - Mr Cook refuses to be drawn. After all, he points out, he has only just finished a trip to South-East Asia: isn't that enough? One of these days, however, he will have to comment. It will not be easy.

Mr Cook himself is upbeat about the future, because of the experience of recent decades. "When I was young, Latin America was all military dictatorships. Now, it's democratic Africa, ditto. In the Philippines, it's just 10 years since it was trans-

formed." The same kind of change, he believes, could come to Indonesia and other countries in the region.

"I think it is particularly important to apply these constant pressures to the next generation who are likely to take over [from 76-year-old President Suharto] - so that they understand that if they want an outward-looking Indonesia, they have got to adopt a different style."

Mr Cook was scathing about the "easy apocalyptic" assessments of the south-east Asian tiger economies. The region's markets have gone through enormous turbulence in recent days and weeks.

"Any idea that this is the end of South-East Asia as an economic force is jejune... Broadly speaking, there is going to be a return to a strong trend of economic growth."

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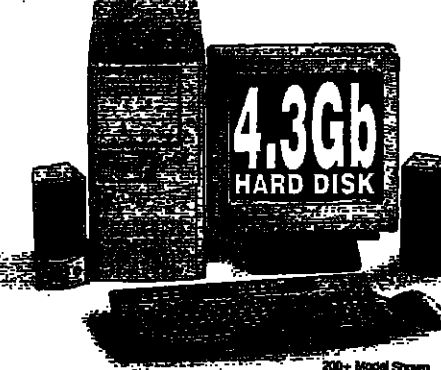
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# Volcano isle gets building plan and Short visit

Phil Davison

The islanders of Montserrat call her The Golden Elephant Lady. As well as a few less publishable nicknames. But The Golden Elephant Lady is going to enter the lion's den.

Britain's International Development Secretary Clare Short, who accused the remaining residents of the volcano-ravaged British Caribbean colony last month of trying to squeeze money out of Britain - "they'll be wanting golden elephants next" - will visit the island later this year to see their plight first hand.

Her deputy, junior minister George Foulkes, made the announcement of her forthcoming visit yesterday at the end of a two day visit to Montserrat. In an about-turn from Ms Short's earlier policy, which appeared to encourage islanders to leave, Mr Foulkes also announced a five-year sustainable development plan to re-build battered Montserrat in the 12-square mile northern safe zone where almost all remaining 4,000 Montserratians have moved.

The southern two-thirds of the island, including the devastated capital Plymouth and surrounding villages where most islanders lived, has been largely swamped by the volcano's pyroclastic flow of red hot ash, gas and rock and abandoned.

Under the plan, a £6.5m programme to build 250 emergency houses for refugees will go ahead "at full speed" on Lookout Hill, according to a joint statement made by Mr Foulkes, British governor Frank Savage and local government Chief Minister David Brandt.

The housing project had previously been frozen.

The one remaining hospital, at Gerald's Park, which was threatened with closure, will now be upgraded as will roads, water and power systems "at the maximum possible speed", the statement said. Over the next six months, Britain would draw up the sustainable development plan "to provide the level of services and infrastructure appropriate to the needs of the community" over the next five years, including help for small-scale businesses.

Priority would be given to transport links, apparently referring to the possibility of a new airstrip. The old Blackburne airport is in the long-evacuated danger zone. At present, people come and go to the island of Antigua on a small cruise boat or a nine-seat helicopter.

A scheme to give islanders low-interest mortgages to build their own homes would also be launched, the statement said.

Britain pledged to "play its part" with regional and international banks and financial institutions to restore confidence in the financial sector and in the future of Montserrat.

The about-turn by Ms Short's department made it likely she would receive at least a polite welcome here, something that would have been unlikely after she accused the islanders of whingeing. "It's good she's coming," said Donna Emmanuel, a longtime American resident who has been fighting for the redevelopment of the island. "She may get banged in effigy but it's good she's coming."

"The sooner she goes the better," page 17



Fish out of water: Fishermen bring in their catch of hilsa fish from the mouth of the River Ganges in India. The catch is especially good this year because high monsoon tides have brought more fish than usual to spawn in the fresh waters of the Ganges Photograph: AP

# Comoros troops ready for battle

Moroni (Reuters) — Preparations by the army in the Comoro Islands to end a secession by force seemed to gather pace yesterday when some 300 soldiers left the capital, Moroni, apparently on their way to Anjouan. Moroni residents said telephone lines between Moroni and the islands of Anjouan and Moheli appeared to have been severed.

The soldiers sailed on board two ships they seized on Monday. The captains of the ships had originally refused to sail overnight. Comoran authorities earlier told an envoy of the Organisation of African Unity (OAU) that the troops at Moroni port were simply going on manoeuvres.

But speculation about a military intervention has grown on Grande Comore, largest of the three-island group in the Indian Ocean that forms the Federal Islamic Republic of the Comoros.

Some passengers said they had seen the deployment of heavy weapons on the island by secessionists. They reported ordinary people as being in a festive mood in Mutsamudu, Anjouan's main town. "Many people are singing and dancing in the streets of Mutsamudu — they seem eager to fight the Comoran army," one passenger said.

# Gold turns Turkish villagers green

Christopher de Bellaigue  
Bergama

Environmentalists in Turkey are a lonely lot. Governments know that Turks tend to be more interested in getting a job than saving the earth. Environmental issues are skirted by politicians of all hues, and Turkey's motley Green Party recently closed down. To add to the gloom, when a court recently ordered a controversial power station, plunked by a pine-clad Mediterranean bay, to suspend operations, the decision was overruled by ministers in Ankara.

Prospects for green-minded Turks are brightening, though. At

Bergama, 20 miles inland from the Aegean coast so beloved of European holiday-makers, an alliance of farmers, local politicians and friendly media companies is propelling Turkey's first environmental movement. The villagers are executives at Eurogold, a company formed by Canadian, French and Australian backers - to exploit Turkey's still untapped gold reserves. The issue is cyanide which Eurogold wants to use to recover the gold from heavy metals which lie around it. Eurogold may have been unlucky to hit on gold on the lip of a valley - at Ovacik, 10 miles from Bergama - full of villages. They were downright

foolish, though, to neglect public relations - a mistake, opponents argue, they would not have made in western Europe. Foremost among these opponents is Sefa Tascin. Bergama's impish mayor has cleverly donned green, and persuaded local farmers to pester deputies in Ankara and parade through Bergama in their underwear to publicise their cause. Villagers too lazy to join in have been yanked into line by decidedly emancipated wives. The campaign is now so fashionable, a group of Volkswagen Beetle owners is supporting it. For all the protest's unexpected modishness, though, it was only recently that Mr Tascin

scored his first major victory. In May, a court in the capital recommended that Eurogold's mining permit be revoked on environmental grounds. While both sides wait nervously for a local court to accept or reject this recommendation, Eurogold's investment - \$30m to date - has begun to look unwise. To all except Eurogold, that is: armed with permits from no less than 12 ministries, the mining company is busy developing its site. Eurogold insists that the mine at Ovacik will be operational before the end of this year.

The inhabitants of Camkoy, half a mile from the barbed wire surrounding the site, are equally

insistent that it will not. A handful of unwise enough to accept jobs with Eurogold have been firmly ostracised, and the determination of environmentalists is inscribed in stone - a marble plaque at the entrance to the village reminds visitors of opposition from 17 villages. Polat Bektas, a habitué of the local café, remarks: "We are ready to die to ensure that the environment is not sullied." This is not the activism of Istanbul sophisticates, but a popular protest. "Never again," says Mr Bektas, "will foreign mining companies think of Turks as ignorant villagers." At Ovacik the environment is only half the issue, the others being politics and economics. According to a lawyer working on behalf of the farmers, the area boasts 5,000 "militants" prepared to stop the mine starting production. This, understandably, does not cheer Turkey's new government which likes mining and votes in roughly equal measures. Ministers worry that, should the local court shut the mine down, Eurogold will open a big compensation suit, and others will be put off from entering Turkey's fledgling gold mining sector. While Ovacik waits for its cyanide, and the mining industry for the court's verdict politicians - both local and national - are holding their

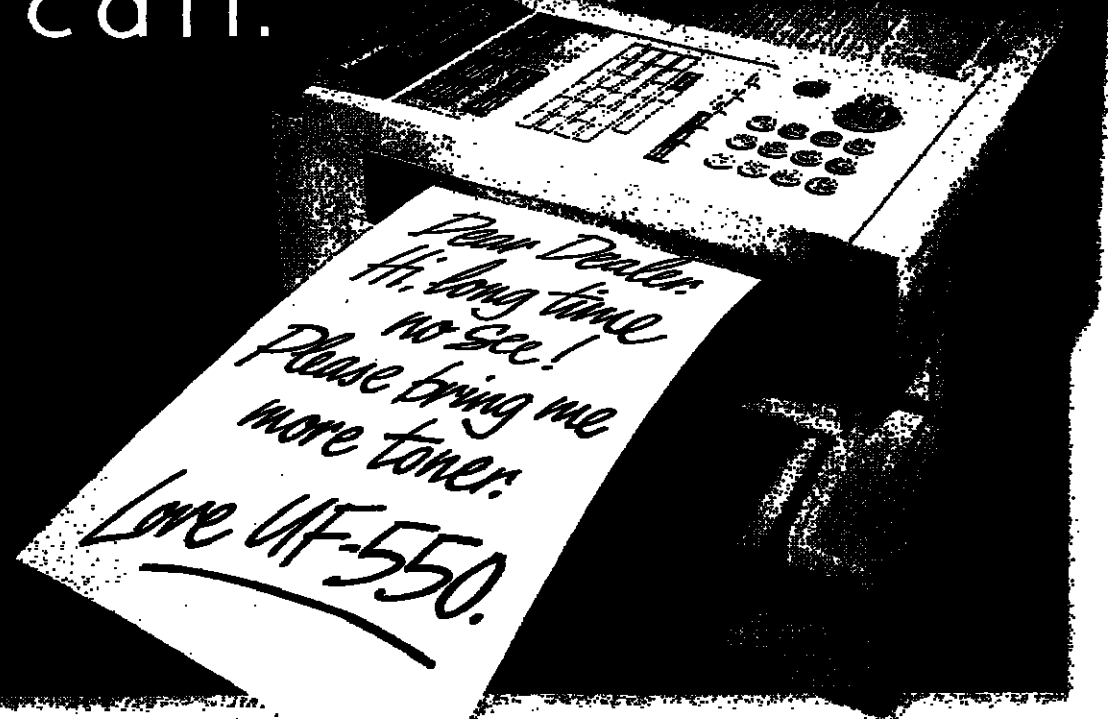
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## international



Frozen assets: Although the land is mineral-rich, the north often lacks basic resources. Above, an inhabitant of the Lake Baikal region collecting water

Photograph: Colorific

# Russians vote with their feet as chill economic wind blows north

It does not compare with the terrible years when millions were loaded into cattle trucks and dispatched to labour camps built on the some of the planet's most remote and hostile territory in the name of Stalin's empire. But another migration is underway, this time in the opposite direction. Since the collapse of the Soviet Union, a steady flow of people has been leaving Russia's far north to head southwards, contributing to a drop in population which the government estimates at 850,000 people - about 7 per cent of the region's population.

The most surprising aspect of the exodus is that it did not come sooner and faster. Living conditions for most of the 11.5 million people who survive amid the permafrost and tundra that stretches from the Norwegian border through Siberia to the Bering Sea are dismal and getting worse.

Many of them should never have

With the collapse of the Soviet empire, people are free to flee the Siberian wastes. **Phil Reeves** reports from Moscow.

been there in the first place. They occupy Arctic communities that would not exist, were it not for Stalin's murderous social engineering. Huge numbers of prisoners - dissidents, Catholics, Muslims, Buddhists, those categorised as "Socially Harmful Elements", and others - were deported to Siberia for use as forced labour, mining gold and silver, building railways, and churning out timber and metals. Countless died in the process.

After Stalin's death in 1953, and the end to the tactics of terror, the Soviet Union was able to lure workers to the far north by offers of better apartments, long holidays on the Black Sea, and wage packets that were up to eight times higher than those on offer else-

where. Those incentives have disappeared with Communism and economic collapse. Though rich in natural resources, most of its industries are throttled by strikes over wage arrears, fuel shortages, and its own inability to survive without being propped up by Soviet central planning. Cries of protest rarely cross the thousands of miles to Moscow. In the former Gulag city of Vorkuta, coal miners have gone on hunger strike, blocked railway tracks, marched, and downed tools. Yet many have not been paid for months. "Economically, Russia's Far North is in a precarious position," said a recent regional bulletin by the New York-based Institute of East-West Studies. Prices, fixed by the Soviets, have spi-

raled with the transition to western economics. Illness is rife (the inhabitants of the far north reportedly get ill 40 per cent more frequently than the rest of the country).

So is alcoholism, especially among indigenous tribes. Up to 80 per cent of the residents of some Eskimo settlements are alcoholics - a performance that even the hard-drinking Russians cannot match.

The climate could scarcely be worse. Summers last as little as 20 days, and are accompanied by plagues of mosquitoes. Winters, with the weeks of total darkness, last up to 10 months.

In the vast Magadan region in the north-east, temperatures can be as low as -65C. July temperatures only man-

age to struggle up to a chilly 12C.

There is little doubt that Russia's migration south would have been larger were it easier. Much of the far north is without roads or railways; air tickets require savings, most of which were wiped out by the hyper-inflation of the early 1990s.

And moving to where the money is - notably, Moscow - is fraught with hurdles. The 1993 Russian constitution is supposed to guarantee freedom of movement and residence. Yet both Moscow and St Petersburg continue to defy the law - despite frequent rulings against them.

City officials continue to operate the Soviet *propiska* system, in which new arrivals need a police permit to move in. The going rate in the capital is \$5,000 (£2,900) - riches which are about as accessible to most of those living in Russia's snowlands as Santa Claus.

## significant shorts

## Denmark jails neo-Nazis over bombs to Britain

A Danish court jailed three local neo-Nazis yesterday for attempting to send letter bombs to targets in Britain. The Danish news agency Ritzau said that the court sentenced Thomas Derry Nakaba, the plot leader, to eight years in prison, a stiff sentence in liberal Denmark. His accomplices, Michael Volder and Nicky Steensgaard, were each jailed for three years.

Court officials earlier said that the jury had convicted the three of preparing three letter bombs, one addressed to the British television presenter Sharon Davies, who is married to Derek Redmond, the black athlete. Another was aimed at the Anti-Fascist Action organisation and the third at a wing of the far-right Combat 18 group as part of an internecine struggle between neo-Nazi factions.

Danish Police said the devices, disguised as video cassettes, contained dummy explosive but real detonators which could have blown a recipient's hand off.

Copenhagen - Reuters

## Eta's death threat to mayor

Basque separatists have threatened to kill a Spanish mayor as part of an apparent campaign to terrorise politicians just weeks after the assassination of a Basque town councillor. Luis Valero, mayor of the town of Tafalla in the northern Navarre region, said he received the threat in a letter from the guerrillas of the terrorist group Eta (Basque Homeland and Freedom).

The letter warned Mr Valero that he was causing great damage to the region, where Eta is fighting for an independent Basque state, and ordered him to leave in 30 days.

If not, "we shall be forced to take measures that no one wants, but which have had painful results recently," it said.

Madrid - Reuters

## Belgian police chief steps down

A top criminal investigator has stepped down after criticism of his role in the bungled search for missing children found murdered last year, officials said.

Christian de Vroom, chief of Belgium's Judicial Police, was criticised by a parliamentary inquiry into the disappearance of four young girls whose bodies were discovered buried on property belonging to convicted child rapist Marc Dutroux. De Vroom is the first high-ranking official forced from his job for his role in bungling the investigation.

Brussels - AP

## Ankara bars peace mission

Riot police, backed by armoured personnel carriers, prevented an international peace mission from entering the Turkish capital.

The peace mission set off from Istanbul on Sunday in the hope of promoting a political solution to the Turkish-Kurdish conflict in the south-east of the country. The war with Kurdish rebels has killed 28,000 people since fighting began in 1984. The police stopped six buses, carrying some 300 Turkish and foreign human rights activists, and barred them from delivering a peace statement in downtown Ankara.

Ankara - AP

## Hun Sen threatens prince

Hun Sen, the Cambodian leader, appeared to rule out talks with the co-premier he overthrew in July, saying Prince Norodom Ranariddh had to face trial for his alleged crimes.

Hun Sen, the former Second Prime Minister, responding to a call from King Norodom Sihanouk for peace talks with his ousted rival Prince Ranariddh, also said that factional fighting in the north-west of the country would cease when royalist forces gave up and returned to the government side.

Phnom Penh - Reuters

## Twins for Chinese panda

One of China's endangered pandas has given birth to healthy twins after a rare pregnancy in captivity. The twins were born last weekend at the Giant Panda Protection and Research Centre in the Wolong reserve in south-western Sichuan province. The research centre had artificially inseminated 13 female pandas, resulting in 19 births, although only 14 cubs had survived, the Xinhua news agency said. It did not say whether the twins were a result of a normal mating, but hailed the birth as a triumph among pandas in captivity.

Peking - Reuters

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## fashion

After a hard day at work, it's time to cast off the jeans and T-shirt and put on a much-loved suit. Tamsin Blanchard meets the men who dress up to relax. Photographs by Sheridan Morley



Above: Blue pinstripe suit, jacket, £105, trousers, £54.99, by Next, Oxford Street, London W1, and branches nationwide (enquiries 0116-284 9424); camel shirt, £39.95, brown tie, £45, both by Jigsaw Mens, Floral Street, London WC2, Kings Street, Manchester, East Street, Brighton (enquiries 0171-240 5651)

Right: Chocolate pinstripe suit, £295, by Jigsaw, as before; chocolate brown shirt, £45 by French Connection, Regent Street, London W1, Eden Walk, Kingston (enquiries 0171-399 7200); chocolate and cream tie, £55 by Dolce & Gabbana, available from Harvey Nichols, Knightsbridge, London SW3; black leather shoes, £44.99, by Next, as before

## Out of the office, into the suit

You don't need to look square in a suit. Some men see their two lapels, three buttons and matching trousers as a rigid uniform for thankless days of nine-to-five toil. Others take a more enlightened view. Men who don't have to wear a suit as part of a daily uniform are often the ones who enjoy wearing one as a form of dressing up. A great suit can be the male equivalent of a ballgown.

Dominic Butler, a 30-year-old graphic designer, says he doesn't wear a suit to work because it wouldn't be comfortable. He wears jeans, trainers and casual shirts. Nevertheless, he is the proud owner of four suits, one from Agnes B, one from Jigsaw, an old one from Cerruti, and – his most recent buy – a two-piece made to his own design by a tailor in Bangkok. He wishes he had had more made. "It's got a short jacket, short lapels, and narrow trousers in wool, and I'm looking forward to wearing it for winter," he says. Butler wears his suits to weddings, posh dinners and launch parties, and on Valentine's Day. It is a way of showing off, taking on a different persona to his everyday look.

Steve Wood, a 30-year-old engineer, loves wearing a suit, but practicalities dictate that he wears jeans and a T-shirt to work. He has an eye for a second-hand Forties drape suit with narrow trousers and lapels. "Those old suits change your shape," he says. "They make your legs look really narrow, and if I wear creepers with it I look slimmer and taller."

His favourite suits include a green tartan bondage suit by Vivienne Westwood, bought in the early Eighties and still worn and loved. He is in the process of having an old 1950s suit copied by a Soho tailor in mohair.

Steve Wells, a 31-year-old product development scientist who works in the United States, says it is frowned upon in big corporations like his to wear a suit and tie to work. "Business dress means a shirt and tie," he says. "If you wear a suit, it's considered that you are trying to outdo everyone: you're trying to be the vice-president. If you forget that it's casual Friday and come in a suit, you really stand out. People think, 'Who does he think he is?'"

Wells's four suits include two by Emporio Armani, one by Next and a shiny tunic suit by Katharine Hamnett. He says he would spend up to £700 on

a suit. His most recent Emporio one cost £550.

"A suit makes you look expensive," he says. "I like having a suit fitted on me. You know that it really fits properly. Everything is exactly right."

He wears his suits to go out at night, if he is going to a dinner or party. "I could wear the Emporio suit to an interview or out to something smart without feeling stiff. If it is tailored softly, it looks relaxed and cool. If the suit is stiff and pinstriped, there's a danger you could look like you've come straight from the office."

"The Hamnett is more the kind of thing you'd wear to a glamorous party. I think it's the equivalent of a woman putting on an evening dress – men are more limited. We can only wear a shirt and trousers, but if you wear a suit you look like you're going to something special."

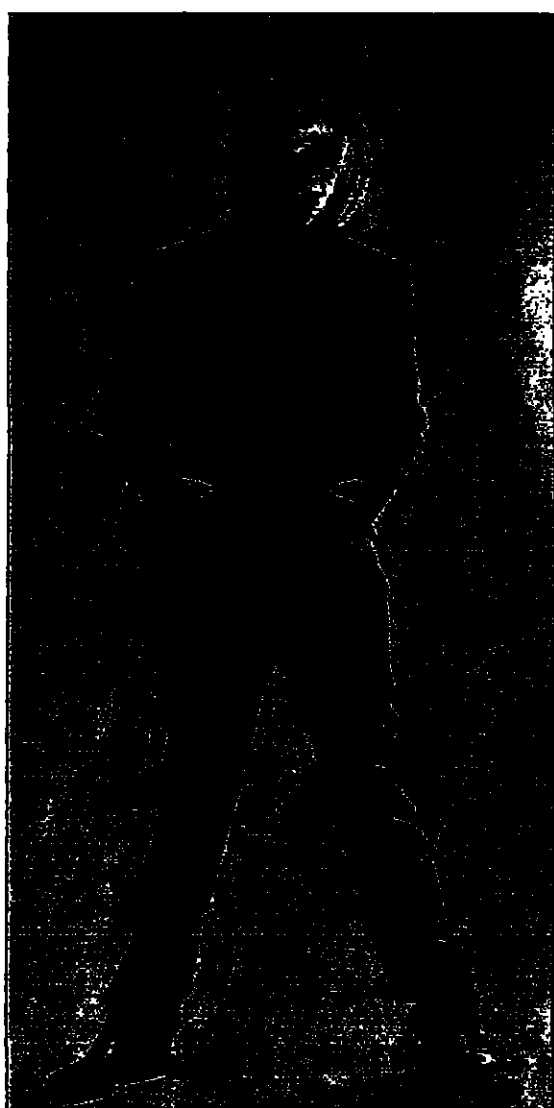
There are strict rules to wearing a suit and many men like to follow certain codes. "Really cheap nasty shoes spoil a suit, while patterned or light-coloured socks can throw it completely," Dominic Butler warns.

"Shoes are really important. I stick to the classics, like a good pair of Oxfords. Never trainers."

The right tie and belt are also important. And wearing the right suit for your body shape is another obvious rule. If you are short, you should avoid anything double-breasted and steer clear of longer line jackets. If you are tall and thin, you can get away with virtually anything. Narrow hips can wear flat-fronted trousers; long legs and you can wear the new wide-legged trousers that menswear designers are pushing for this season and next.

The best rule is to shop around and try on as many different shapes of trousers and jackets as you can. Don't be afraid to be a bit wild with your shirt and tie. And don't let some shop assistant bat her eyelids at you and tell you you look amazing. Check all views in a mirror, especially the way the jacket hangs at the back and how your bottom looks in the trousers.

And just because you happen to be going to a wedding the next day, never buy a suit on impulse. You can guarantee you'll never wear it again and you'll feel like a stuffed shirt on the day. Don't think "office" and "pinstripe". Loosen your tie, take off those glasses, let down your hair and live a little.



Left: Grey suit, three-button jacket, £240, trousers, £128, by Agnes B, Floral Street, London WC2 (enquiries 0171-379 1992); navy shirt, £45, by French Connection, as before; navy tie, £55, by Duchamp, available from Harrods, Knightsbridge, London SW3, Jenners, Princes Street, Edinburgh; black shoes, by Next, as before

Right: Navy blue suit, three-button single-breasted jacket, £225, flat-fronted trousers, £125, by PS from Paul Smith, purple shirt, £95, cotton stripe tie, £45, all by Paul Smith, Floral Street, London WC2

Stylist: Sophia Neophitou  
Model: Steve Wilson at Models One



## Update

## School uniforms without the itches

Back-to-school uniform shopping can be a nightmare. Everybody has bad memories of their own school uniforms, writes Tamsin Blanchard. Wearing it was shameful enough, but having to spend a day each August – when there were far more interesting things to do, such as going to the beach or bouncing on a space hopper in the garden – trying on shirts, blazers and horrible box pleat skirts was too much to take. I remember being dragged around John Lewis and Marks & Spencer, sulking at the thought of wearing a shirt and tie and an acrylic V-neck jumper over the top.

No doubt remembering their own school days, those clever fibre technologists at Courtauld have had schoolchildren in mind this autumn. They promise they have taken the itch out of school jumpers with a new, improved fibre, called Courtelle. It is still good old acrylic to you and me, but re-engineered to improve its "easy wear, easy care" properties. It is also softer. Unlike the old-style acrylic, new-generation Courtelle knitwear is designed to retain its shape after machine washing and not go bitty and knobby after a week's wear. Gone are the days of shaving your jumper to get rid of the bobbles. Look out for the Courtelle label at John Lewis and other children's departments.



## Armani opens in Bond Street

On a more glamorous note, Giorgio Armani is continuing the onward march of the world's designers opening flagship stores in London. The latest to open its doors, this Monday, is the first ever sleek, urban Collezione Giorgio Armani store on Bond Street. This is a shop designed to cater for the business community rather than to fashion huzzies.

If you are an Armani fan, this is the ultimate one-stop shop. Not only can you buy your corporate wardrobe, have the suit altered to fit and couriered to your office (for a small fee) in double-quick time, you can buy a suit for £595 (below right) from the men's Le Collezione label (formerly White Label), and one for women for £495 by Mani (top right).

The store will also be offering a service where the season's look books will be taken into companies so you can shop while you work.

Collezione stores will be opening around the world as the year progresses, with Manchester opening by the end of the year and Glasgow planned for 1998.

Also on sale will be accessories and two sportswear ranges: Neve for high-flying skiers and Golf for those all-important business deals on the fairway.

Collezione Giorgio Armani opens Monday at 43 New Bond Street, London W1; enquiries 0171-491 9888



مكتبة الامم المتحدة



# If only the royals dared weep with the people

Britain is becoming less British. The displays of grief and anger about the death of Diana have been not only mass, but impassioned, florid as well as floral, public not private. There has been crying, shouting – open displays of emotion, not private reflection. This is not how the nation popularly supposed itself to behave; we are meant to be a people of gritted teeth, suppressed feelings and stiff upper lips. The great mounds of flowers – and why, by the way, do we leave them wrapped in cellophane, not properly open? – the clipped-out photographs from magazines, the piled teddy bears, the poems and pen messages, and the snaking, loudly conversing crowds outside the palaces ... all this seems somehow foreign to the received images of the British in public sorrow. Traditionally we think of the grave, silent faces at the Cenotaph, of military processions and of the dignified but repressed and duty-lined expressions at Establishment funerals or memorial services. Compared to that buttoned-up nation, the current torrents of grief over the dead Princess seem American, or even somehow Neapolitan.

The change in public behaviour is neatly caught by the reported difference of opinion between Buckingham Palace and Tony Blair's circle at Downing Street over the right way to lay Diana to rest. All the instincts of the Windsor family seem to have been traditional,

with the emphasis sombre, dignified and vaguely military. They come from a class, as well as a family, sternly schooled in public reticence; from a culture in which it is a weakness to break down in front of strangers. The Prime Minister has consciously decided, it seems, to speak for another and younger strain in British public behaviour, which rather approves of tearfulness and finds mounds of flowers and notes moving and appropriate, rather than maudlin or common. The difference is seen in the debate about how much leeway should be given for vast crowds of ordinary people to feel involved in the funeral; who should be invited to the Abbey; and whether soldiers should be prominent in the event, or people from charities patronised by Diana. It is likely that the discussions have not been as sharp or as divided as malice reports; nevertheless, some difference of tone and instinct seems to have emerged.

If so, it is a poignant and important distinction, which says much about the task of royalty at the end of this century. It is easy to see a repressive, Victorian hauteur in the Windsors' reliance on sombre pageantry which contrasts not only with Diana's thoroughly contemporary tastes, but also with the instincts of the millions of her mourners. They have learnt to let it all hang out. They are not ashamed of tears and have built flimsy, touching shrines which would have meant vastly more to her than

ceremonial guards or intoning archbishops. They would not have sent their bereaved sons to ordinary Sunday church services. Their emotional expectations are a world away from the self-deprecating and contorted dignity of the Prince of Wales or the amazing, iron self-discipline of his mother, who seems almost like an ancient Roman matriarch, stern-faced and unflinching as the family tragedies pile up around her.

The people are not, it seems, like that any more. That was why, after all, so many loved Diana: the same confessional tone and readiness to admit fault which embarrassed the Windsors and

their friends so intensely was what made her, to millions, "one of us". She drew little smiley faces in biro on children's plaster casts, and enjoyed the corny jokes, horoscope readings and ready, hug-generous behaviour of her most substantial group of mourners: The less hung-up sections of British society, including ethnic minority Di-washippers, gays and teenagers, have been prominent in the response. But so have millions of the stolid centre of Middle Britain.

To those brought up in the old ways of the British upper-middle classes (and the simple "uppers" too), much of this

is, in truth, a little cringe-making. But the word "old" in the previous sentence is at least as important as the class element. Diana, after all, was hardly a proletarian infant. She goes to rest in an impeccably aristocratic family chapel. What distinguished her from Charles was not class but age: she was a child of the post-Sixties global culture. He, on the other hand, is in many ways – and given his education this is no exaggeration – still the child of Edwardian values. There is absolutely no doubt which of them the vast majority of the British people identify with. And there is absolutely no doubt that this presents the monarchy with a genuine dilemma. If the princes grow up more like their father than their mother, the people, who have changed so much already, will not recognise them as belonging to the same country.

We applaud the louder, more emotional and sentimental sorrow, the Neapolitan style of the mourning streets. The inclusive and democratic nature of the response would have been everything she hoped for as "Queen of hearts". It feels curiously positive and properly cathartic, as a sombre state funeral or a muted private grieving, would not have done. Modern Britain knows that, unBritish or not, it is good to cry. The heaped flowers, even with their cellophane, are intensely moving. So are the crowds. This is clearly becoming a populist event, far

beyond the reach of official control or the carefully graded rituals of monarchy. It is growing, not shrivelling. It is only a little hyperbolic to describe the mourning of Diana as a kind of emotional revolution of the streets – St James's Palace being stormed in an utterly polite but insistent way by those determined to queue through the night to express their grief. This is an unthreatening revolution, except to the Household Gods of the stiff-upper-lips. We do not mock them. The traditions of repression and self-control are linked to those of duty and sacrifice, and are therefore admirable too; perhaps as a country we have lost a certain national dignity that became us.

Be that as it may, we have moved on, and returned in spirit to the more raucous and sentimental nation we were before Victoria's reign. That is part of the meaning of what has happened in the past few days. We hope the Windsors and their advisers are watching the mood on the streets and learning from it. What would really do the monarchy good, and show that they had grasped the lesson of Diana's popularity, would be for the Queen and the Prince of Wales to break down, cry and hug one another on the steps of the Abbey this Saturday. That such an event is unthinkable shows how great is the gap between the people mourning "their" princess, and the Royal Family to which she never, quite, belonged.

## LETTERS TO THE EDITOR

### Tougher laws against drink driving

Sir: I have lived and worked in Paris for eight months now and was therefore not particularly surprised to hear that the death of the Princess of Wales was the result of drink driving ("Killed by drunk driving, not fame", 2 September). I discovered not long after moving here that drink driving was a completely acceptable part of the French life style. The consumption of wine at an ordinary meal time is not considered to impair driving skills. At parties, or just an evening out with friends, drinking and driving is accepted or even laughed at as people pile into cars at the end of the night.

I have even been ridiculed by my friends for making a stand against it and taking a taxi. This culturally acceptable drink driving is further encouraged by the fact that the French police do very little to stop it. For example, a friend of mine was stopped recently for driving in a bus lane at around midnight. He had drunk at least half a bottle of wine. The smell of alcohol must have been evident on his breath, but at no point did the police question or breathalyse him.

The driver of Princess Diana's car probably did not consider himself drunk or even a risk to others on the road. Furthermore, those who worked at the Ritz, who knew he had been drinking, would not have given it a second thought.

I do not blame French people for their drink driving habits, but I do feel that if the authorities and police were tougher on offenders and produced some hard hitting advertising campaigns similar to those shown in Britain, perhaps the situation would improve.

JANE WILLOCK  
Paris

Sir: Since it is now apparent that the driver of the car in which the Princess of Wales was killed was both drunk and speeding, perhaps those whose immediate and unthinking reaction was to call for a crackdown on the press would consider it more appropriate to demand tougher laws on drinking and driving instead?

JON PARRY-MCCULLOCH  
Stowmarket, Suffolk

Sir: What more fitting epitaph for Princess Diana than a worldwide introduction of drinking and driving legislation with a zero blood alcohol level.

ROS BEESON  
London SW18

Sir: From the pictures we have seen of the fateful tunnel in Paris there is nothing present to prevent a head-on collision with the support pillars. Any such tunnel in Britain would be provided with horizontal crash barriers to deflect any vehicle likely to leave the carriageway.

Perhaps the French authorities could now look at their road design standards.

C J CURRELL  
St Albans, Hertfordshire

Sir: I write as a man ashamed to call himself human after hearing the eye witness accounts of the tragic death of the Princess of Wales.

Talk of life imitating art. David Cronenberg's film *Crash* was designed for its delving into the imagination to such a level of depravity as to be regarded by many as unacceptable. Yet, here we have in life, in three dimensional reality, a scene that the likes of J G



Ballard and David Cronenberg could never have created: the depraved scramble over the still warm and twisted wrecked Mercedes for the ultimate image of the world's most photographed woman.

DOMINICK REYNOLDS  
London SW8

Sir: The Princess of Wales succeeded in making complex issues understandable and therefore people believed they had a role in resolution. This is particularly so of Aids and land mines where she risked criticism by taking direct action.

The Oslo Conference may lead to a treaty and it could prove to be a fitting memorial to Diana. More than anything else it needs to focus on the real facts, not political perceptions and commercial implications but the core humanitarian issue.

In 64 countries around the world there are an estimated 110 million unexploded land mines. Land mines kill 800 people a month. A large proportion are children. Most mines are not chartered or mapped. They move positions due to floods, landslides etc. As they age they become more sensitive. The estimated cost of treatment for live victims is more than £2,000. Clearing each mine costs a quarter of this.

The Princess was asking why we have all created this situation which is intolerable and yet totally capable of being stopped and, with commitment, banned for ever.

DAVID H W GRUBB  
Executive Director  
Children's Aid Direct  
Reading

Sir: Are all those who have, in the last two days, criticised the role of

certain parts of the press and media, now going to avoid buying the relevant publications? Criticism is easy to formulate but, as with most ethical and moral questions, strong words become more empty gestures without consequent and congruent actions.

The Rev MARY J VICKERS  
Fleet, Hampshire

Sir: It's a simple matter. Make invasion of privacy by whatever means a tort, like libel, with the burden of proof on the intruder upon, and the public interest a defence for those who intrude. The case could be tried before a jury who could fix damages according to the pain suffered by the plaintiff and the gain sought by the defendant. Publishers and editors, or anyone who derives secondary benefit, could be sued as well as those who commit the primary wrong.

JEREMY WALKER  
London SW17

Sir: For the record, ITN did not "close down until GMTV went on the air" as reported in your article (1 September) on the television news coverage of the death of Diana, Princess of Wales. In fact, ITN was on air on ITV with updates and extensive coverage from our first news report at 1.57am until 6am. Specifically, we were on the air from before the announcement of the death of the Princess of Wales right through until the start of GMTV.

RICHARD TAIT  
Editor-in-Chief, ITN  
London WC1

### Challenging Catholic celibacy

Sir: It is heartening that alcoholism and paedophilia among the clergy are being recognised by the Catholic Church structures (report, 27 August), but the philosophy of the Stroud reformers for Catholic priests of breaking everyone who is sent there by using "boot camp" style methods is unacceptable. Especially as "patients" include those who are not in either of those categories but normal well-adjusted men who need time to think about their lives.

This tragedy highlights the situation of many men and women who are trapped by the church law of compulsory celibacy which forces a man to choose between the woman he loves and priesthood.

As a support group for women in relationships with Catholic priests, we know of numerous relationships in which this dilemma is part of everyday life. Most of the men concerned will not admit to or talk about their relationships to their bishops when they know that they will be treated as if perverted and threatened with Stroud.

The church law of compulsory celibacy, which has no foundation in scripture or theology should be challenged by all Catholics who recognise that priesthood and marriage are not incompatible, as shown by the church's acceptance into the Catholic priesthood of married former Anglican clergy.

LYNNE EDWARDS  
Seven-Eleven, Coventry

### 'Impossible' to be MP and MEP

Sir: I write with reference to the letters by Bob Russell, MP for Colchester (25 August) and Anne McIntosh, MP for the Vale of York and MEP for Essex North and Suffolk South (30 August). I'm afraid they are both being a little disingenuous.

Firstly, while it may be true that Labour Parliamentarians have in the past exercised a dual mandate, it has not been possible for sometime. Nearly seven years ago Labour Party Conference banned the practice on the grounds it was impossible to do the two adequately.

Secondly, as for the comment that more than two years is a short transitional period, all I can say is that many of my unemployed constituents would only be too grateful for such a job and length of contract.

However Bob Russell should clarify the position of the Liberal Party. In the past both David Steel and Russell Johnson stood as MEPs while sitting in the House of Commons.

Is this now banned or will we see a litter of the surprised Liberal victors from 1 May doing the chicken-run on to the new regional lists in 1999 saying that after all three years is only a short time?

GLYN FORD MEP  
(Greater Manchester East, Lab)  
Mossley, Lancashire

### Consultant's time is fully utilised

Sir: Phil Hammond's jibes at consultant surgeons (Tabloid, 2 September) were pretty gratuitous cheap shots.

Easy stereotypes can be made of any profession, and will be wrong 99 per cent of the time. Of my 14 allocated hours of routine operating time, which is fully utilised, I am obliged to use a portion to train junior surgeons. Dr Hammond also conveniently forgets outpatient clinics, ward rounds, emergency work, correspondence etc.

The only reason my waiting list went up by four months last year was because there weren't enough beds to admit any routine cases during the winter crisis. The debate on how the NHS is run deserves better than this from someone who professes to tell it like it is.

NEIL HULTON-FRCS  
Consultant Surgeon  
The Royal Oldham Hospital  
Oldham

### A night out for a shilling

Sir: "Prices ain't wot they used to be," you report ("How the pound in your pocket took a pounding", 29 August).

This reader, unemployed in Watford circa 1937, enjoyed a night out on a shilling (5p), 2d for a packet of five Woodbines, 2d for a half-pint of beer, 6d for an evening's ballroom dancing with 2d left over. Cap that.

GIL TAYLOR  
Leicester

### TV nation needs therapy

Sir: Yes, yes, yes, each Thursday you have "Film, Film, Film", each Friday "Music, Music, Music". It is very public-spirited of you to cover these minority interests at such length, but when are you going to give equivalent space to what every man-jack of the population devotes hours every day to? Apart from employing far and away the best television critic in the land, you dedicate very little space to it.

Television is no longer at a crossroads. Choices have been made and it is centering happily downhill. Documentary slots have largely been usurped by cheap clip-collations about the emergency services. Arts programmes have become mere puff pieces for films and records. And drama – always the most popular strand of television's output – has fewer and fewer notable exceptions to the unremitting cop-show.

Television is the expression of our national psyche and it is in need of independent therapy.

CLIVE EXTON  
London N1

Sir: Your report on the popular BBC children's TV programme, *Teletubbies*, has left me outraged ("Teletubbies to get grown-up help with their baby talk", 25 August). My four-year-old granddaughter, who lives abroad, recently spent a two-week holiday with us and the highlight of the day was watching together the delightful and refreshing *Teletubbies* show.

As an educator and one time children's teacher myself, I find the programme to be one of the most entertaining and well produced children's TV shows that I have seen for a long time. I find the criticism handed down by the self-appointed so-called educational "experts" to be utterly ridiculous. It is ludicrous to imagine that any normal child's language development could be impaired by hearing the baby-talk of a *Teletubby* (any more than listening to the baby-talk of younger siblings).

The BBC would be well advised to ignore these spurious criticisms which I am sure are unrepresentative of the majority of British parents and to leave the programme in its present charming form.

DENISE BARDAN  
Cambridge

### Too dirty to change a nappy

Sir: Last week I put my daughter and her two children aged two and four months on a train from Liskeard to Reading. She had reserved seats but the way to the toilet was blocked by baggage and people. Nevertheless it was so filthy as to be unusable and there was no facility as there is in aircraft for changing a baby. Apologising profusely she had to change the baby in front of other passengers while they chewed their sandwiches. The train was one hour late.

We learnt this week that our train fares are three times the world average and, for cleanliness and punctuality, compare very unfavourably with the SNCF and the Swiss trains.

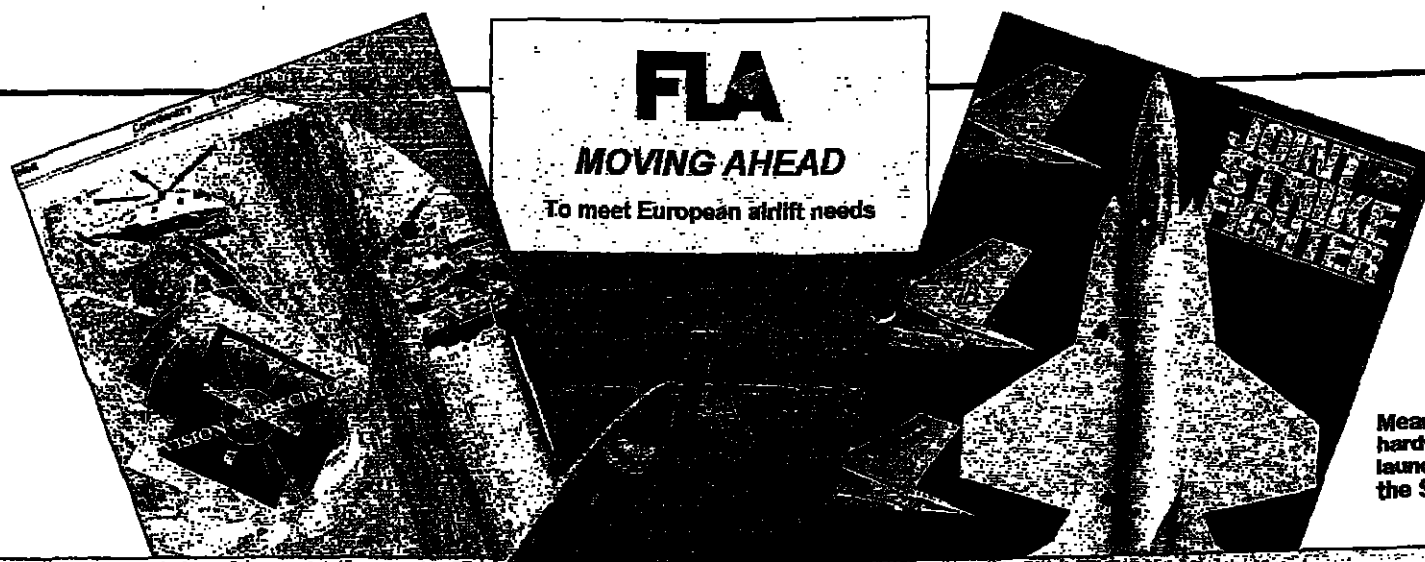
If politicians, ministers and businessmen had to travel second class with small children rather than by themselves in half-empty first-class compartments, I think changes would soon be made.

CANON PAUL GODDARD  
Polruan-by-Fowey, Cornwall

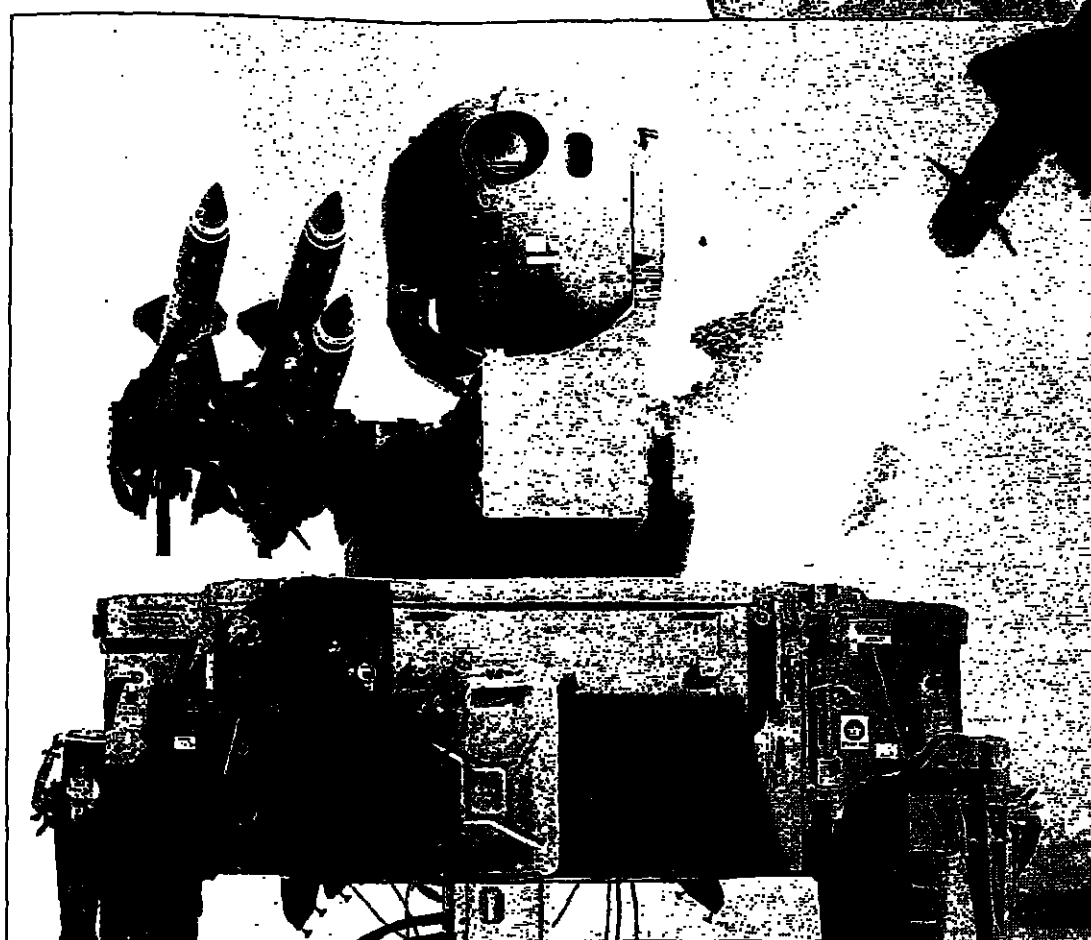
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## first person



Means of death, 1997: Farnborough brochures and hardware includes, below left, Rapier FSC/Jernas launcher by Matra BAe Dynamics and, below right, the Simba tank by GKN Defence



The Farnborough 'defence exhibition' is meant for the trade, but Fran Abrams infiltrated the serried ranks of uniformed men to make a few innocent inquiries about what those weapons are really for



# What's a fighting vehicle, then?

Half an hour into my first arms fair—sorry, defence exhibition—and I am starting to get the hang of it. "Now I see," I cry triumphantly, eyeing an armoured car with a vicious-looking turret. "So these aren't tanks because tanks have big guns."

The PR man is starting to sweat a little. "Er, well... these can have big guns on them..." he begins. Just at that moment one of his colleagues appears at his other elbow, looking agitated. A half-whispered conversation ensues.

The PR turns back to me, faintly accusing. "We've been infiltrated," he says.

I can feel myself starting to look shifty. "Infiltrated?" I squeak.

"Yes," he explains. "Some protester got in with a banner..."

Relief floods over me—for a

horrible moment I thought I was about to be ejected for dangerous naivety. I divert swiftly back to the matter in hand: to be honest, they still look like tanks to me.

For those readers of *The Independent* who haven't actually been to an arms fair—there is no great shame in this, for security is tight—I will attempt to describe this week's Farnborough show. Try to imagine how Alice in Wonderland would have felt if she had wandered into a toy fair after drinking that stuff which made her shrink. Big, shiny machines are everywhere. Huge, clanking demonstrations are held, with tiny squaddies scrambling about over enormous pieces of metal. They look so real you can almost see the veins standing out on their reddening necks as they bawl orders to each other.

Stiff-backed foreign generals with lashings of gold braid strut between the exhibits,

surrounded by concentric rings of lesser-braided troops, suited officials and sharp-looking security men. They all wear little badges denoting their country of origin: Korea, China, Turkey. Exhibitors smile obsequiously as they stroke their best guns. This toy show is strictly for the boys—in fact, I'm just about the only woman in the place.

The important thing to remember about the machines and widgets on display is that most of them are not designed to harm people. And when they are, it's all so terribly, terribly exciting that it isn't nasty at all. Take the Apache attack helicopter, for example. Manufactured by GKN Westland, it can carry up to 16 missiles or 76 rockets, plus a machine gun.

"It isn't very efficient if you want to kill people," explained the company's press man, Chris Loney. "But if you have a concentration of hostile vehicles or trucks it can be very useful."

The company does have aggressive weapons systems, he adds. "But they are not anti-people, they are anti-product. Anti-ship, for example."

Or take the new armoured car, which a sister company, GKN Defence, wants to build for the British, French and German armies.

"It's a utility vehicle rather than a fighting vehicle. It can be used as an ambulance, a people carrier, a command vehicle," explains the firm's head of public affairs, Mike Docherty. (Command, by the way, means it carries people with more stripes on their arms.)

"So what does 'mortal' mean?" I ask, glancing down at the vehicle's laminated notice. We establish that it can carry and fire mortars. "But you said it wasn't a fighting vehicle," I protest. "It's indirect rather than direct fighting," he explains. I am bemused. It seems firing a mortar does not count as "fighting" because you point it into the air rather than at a target.

Next to this prototype is the Tactica armoured vehicle. Today the Tactica is fetchingly attired as a jam butty car, in the colours of the British military police. It is better known, though, as the vehicle whose export to Indonesia went ahead despite the Labour government's ethical defence policy. The Indonesians fit them with water cannon to fire pink chemicals at pro-democracy demonstrators, but they do have other uses. For example, there are a lot of ravines over there and drivers tend to crash their cars into them. Apparently, the

Tactica comes in very handy for pulling them out again.

Anyway, Mr Docherty explains, water cannon aren't half as bad as the plastic bullet guns we use in Northern Ireland. "I know what I'd rather be hit by, I think I'd rather get wet," he says, without mentioning pink chemicals at all.

Lovely as it is to spend an hour or two mulling over the finer points of these beautiful beasts with their proud creators, I decide it is time to move on to smaller fry.

In a corner of the indoor exhibition hall is a stand which proudly displays a range of guns from pistols with "first shot potential" ("no manual safety elements to contend with") to full-scale anti-tank weapons. There are also a number of knives. The man in charge is not keen to talk, though. "I don't think we want any publicity," he says. "You're not one of those anti-gun people, are you?"

I explain that I am merely a humble reporter from *The Independent*. "I seem to remember *The Independent* was pretty anti-gun around the time of Dunblane," he sniffs, but he seems content to let it go. A few moments later he is happily laying out his wares.

Then I notice a poster advertising something called "BASTEG", a "barricade and street encounter grenade," and things take a turn for the worse. "I was hoping you wouldn't see that," he says, before going on to explain that they aren't for barricades, exactly. They are designed to blow up blocks of

concrete and the like, and can be useful for "urban fighting". "If they were in Bosnia and were attacked by the Serbs, that sort of thing."

We move on to the smaller guns. On the counter by the display case there is a pile of leaflets advertising a gun for "sport and self-defence". I pick one up, but he snatches it from my hand. "I'd rather you didn't take those. We're a bit short." He hands it to his colleague, who puts it under the counter along with the rest. "There seem to be plenty to me," I say.

The thing is, he admits, the gun has been banned for private use in this country since Hungerford. "So why have you got leaflets advertising it for 'sport and self-defence'?" I ask. "We're a Swiss company," he replies, even though the leaflets are in English. Eventually he relents and gives me a different leaflet about the same gun. It is "compact precision" with a fully automatic firing mode, "conceived specifically for special forces and elite units".

By this time I am beginning to feel, as they say in Victorian novels, "a little queer". Is there anyone around here who doesn't think Ethics is a place next to Tufnell?

I feel most comforted when Simon Raynes, communications manager for British Aerospace, brings up the issue of human rights without me even having to mention it. It is in the air, of course, because BAe recently completed the sale of 16 Hawk jets to Indonesia, which has in the past been accused of using the planes in occupied East Timor.

"We feel that role is the business of government. We are not on the diplomatic or the political circuit and it would be quite improper for a company like ours to set its own rules," he explains. "At the end of the day we don't make a judgement. Of course, with our responsible business, we will proceed. There are plenty of other people competing."

The Indonesians have only used the Hawks for training, he adds. "They have a role to look after Indonesia's interests, internally and externally."

I write all this down dutifully, noting from the glossy brochure that BAe has two offices in Indonesia, and ask to see his weapons. These include the huge and impressive Millennium Gun and a thing called a Jernas, which I am surprised to learn is a "passive" weapon despite the fact that it is bristling with projectiles. There is also a new guided missile which the British are making with the French. It is fired off a ship and can be programmed to hit other ships miles away. The British were attacked by French-made Exocets a bit like these in the Falklands.

Things are beginning to become clear. Our allies sell weapons to our enemies, then they offer to team up with us so that we can make other weapons to defeat them with. The defence business looks more like a self-perpetuating global merry-go-round every minute.

Back at home I decide to check this out. Are we making more arms every year? I

already know that Britain's share of the world defence trade has more than doubled, to 25 per cent since 1988. In fact, we are the world's second biggest arms exporter. The industry employs tens of thousands of people.

But this is not the whole picture. A recent report written by an academic for the Campaign Against the Arms Trade shows that between 1990 and 1994 the world market declined by 59 per cent. Britain's share went up because its exports declined by only 34 per cent, from \$5.1bn to \$3.4bn. The number of jobs directly linked to military exports has fallen by 38 per cent since 1990, to 90,000. The truth is that the world defence market is not booming at all.

Meanwhile, the government continues to pump in money to keep the beast alive. In 1994 it spent just £350,000 supporting the construction industry, exports from which are worth £7.4bn. For the pharmaceutical industry, exports from which are worth £4.9bn, the government paid for just four full-time staff. By contrast, we spent more than £15m supporting £2.9bn of defence exports.

Much has been made of Robin Cook's new, whiter-than-white foreign policy, and of whether it will have an effect on defence sales. The debate has been polarised into one of ethics versus economics, but it is not so. On this one, the Government can win both the moral and the financial argument by simply putting its hands in its pockets and keeping them there until a more deserving cause comes along.



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## Now enrolling at a cashier near you

We have become so used to the idea of polytechnics being converted into universities (did I imagine it or did I hear a comedian on the radio the other day say, "according to Polly Toynbee, or Toynbee University as she now is...") that we have quite forgotten what the difference is. The only thing we can be sure of is that no university has ever wanted to become a polytechnic.

Similarly, we have become so used to the spectacle of building societies turning themselves into banks (did I imagine it or did I hear a comedian on the radio the other day say that he could remember when Northern Rock was just another description of The Beatles?) that it comes as something of a surprise to learn that there are any building societies left at all.

But there are still surprises left, and one of them is the news that the Rugby and Coventry Building Society is about to abandon its status as a building society and become a fully-fledged university.

Yes, your eyes did not

"The Rugby and Coventry Building Society will cease trading as a building society as from midnight on 31 Aug and become a fully-fledged university," read the press release which was handed out to press and media on 30 Aug 1997.

Coinciding as it did with Princess Diana's death, at a time when no other news was allowed to infiltrate, the announcement of this change of status has had very little coverage. Indeed, I think I am the only newshound to have noticed it and certainly when I turned up to interview the new Vice-Chancellor of Rugby and Coventry University, Sir Donald Beanstaff, I was the only journalist in the office.

"We have decided to become a university for three reasons," intoned Sir Donald Beanstaff, as he poured me a sherry in the palatial vice-chancellorial suite which was until so recently the head office of the Rugby and Coventry Building Society. "One is that people are fed up to the back teeth with



Miles Kington

building societies changing into banks, so we thought we could ring the changes a bit. Secondly, it has been known for years that the University of Warwick is nowhere near Warwick and is, if anything, closer to Coventry, so we thought we could create a Rugby and Coventry University which was actually closer to Warwick!"

What about Rugby? "Yes, we'll be playing rugby, and indeed any team game which might get a grant from the National Lottery." I really meant, how close will you be to the

town of Rugby?

"Oh, with you! Not very close at all. But then, nothing is very close to Rugby, as you will know if you have ever tried to go there."

And the third reason? "Third reason? Oh, with you! Windfalls. When you convert from a building society to a university, there isn't actually that much money to share out, not after the directors have had their share, anyway, but you get a hell of a lot of degrees. In my case, I have already collected 15 honorary degrees, including one in parasociology and another in applied office design, two subjects I didn't even know existed this time last year."

But what on earth use are windfall degrees?

"Oh, a lot. They help you to get a good job."

What good job have they helped you get?

"Vice-Chancellor of Rugby and Coventry University, for a start."

Hmm. Well, where will the teaching take place and how exactly will it work?

"Good question. We at the Rugby and Coventry University do not have a campus or a series of college buildings in the traditional sense. Nothing ivy-clad about us, old boy. In fact, we know from our experience as a building society that ivy is the last thing you want growing up a healthy building fabric, eh? But we do have a great series of branch offices in every Midlands town from Nuneaton to Kenilworth, and we will be dispensing degrees from all of them."

On demand? "Oh, no. People will have to deposit their homework as they used to deposit their regular building society contributions, and these regular essays will be added up and assessed and interest paid on them until they accrue into a fully-fledged degree. It's revolutionary, old boy. Can't fail. We'll make a fortune. Been nice talking to you. Here, have a degree in The History of Martial Arts!"

Tomorrow, the astonishing story of how Taunton Teacher Training College became a fully-fledged merchant bank

تعليمنا من الان



## Still tigers, but tamed a bit by the market system

Maybe the next century won't belong to Asia after all. Or at least that is the thought spurred by the sharp falls in the currencies and the stock markets of several hitherto admired Asian "tiger" economies. The shorthand is familiar: that the 19th century was dominated by Europe, the 20th by America, and so the 21st will be dominated by Asia. It certainly seems plausible: China in particular has been sustaining growth rates of between 8 and 10 per cent for more than 15 years and on this performance will overtake the United States as the world's largest economy some time around 2010. Hong Kong already has a higher GDP per head than Britain.

This economic success brought a certain arrogance. Leaders of countries such as Singapore and Malaysia lectured the West on its supposed moral decline, while Western think-tanks started to produce papers advocating "Asian values" – the importance of things as varied as self-help rather than state support, close family ties rather than fractured marriages, and high savings rather than spend, spend, spend.

So, the theory went, not only would Asia dominate us in economic terms; it would also come to have a profound influence on our ideas. Instead of trade in values being a one-way stream with Western values extending to the East, it would become a two-way one, with us starting to import not values, certainly ideas, from them. Remember earlier this year Tony Blair, still Leader of the Opposition, talking admiringly of the Singapore pension scheme, which relies on compulsory savings rather than future taxation.

But in recent weeks the mood has shifted. Maybe the region is not so wonderful after all. The immediate reason for that change has been a financial crisis which began in Thailand in early July but which rapidly swept across the entire region. Thus, in dollar terms, the exchange rates of both Indonesia and Thailand have fallen by more than a quarter, and share prices have halved in the last year.

Even though the region is extremely diverse, the falls have proved contagious. Countries whose economies and financial systems are completely different have been hit. For example, Hong Kong's stock market is now at a four-month low, in contrast to the markets of Europe and North America. Yesterday the Chinese government put out a statement of support for the Hong Kong exchange, saying that Hong Kong was "economically strong", and that it had "adequate currency reserves", and that it had "the solid support of the central government". As we know here to our cost, the moment governments feel the need to proclaim that everything is all right is the moment you can be sure it is not.

There is, however, a world of difference between periodic financial shocks and a long-term economic decline. It may come as a surprise to us that anything should go wrong in what we have come to think of as the world's most successful economic region. But it should not have done so. Because we allowed ourselves to be dazzled by the astonishing growth rates of East Asia, we forgot that the very nature of rapid growth is that it is interspersed with sudden hiccups. If an economy is geared to 8 per cent growth, coming down to 4 per cent



Hamish McRae

Because we were dazzled by the growth rates of East Asia, we forgot that the very nature of rapid growth is that it is interspersed with sudden hiccups

creates all sorts of problems. But if we could sustain 4 per cent here, we would be the tiger economy of Europe.

Besides, what we are seeing is the financial reaction to an economic rebalancing within the region, rather than a sudden deterioration of the whole region's competitiveness. The trigger that set off the problems in such countries as Thailand, Indonesia, Malaysia and the Philippines has been a hiccup in export growth resulting from the expansion of exports from mainland China, these countries' principal competitor, in international markets – a fact that makes the Hong Kong market reverse all the more odd.

No, what I think we are seeing is not an end to the dazzling success story of the past, but rather a glimpse of the bumpy, but still-dazzling future.

The next century will see Asia, and particularly East Asia, playing a relatively more important role in the world. That is normal and natural. At the beginning of the last century, the world's largest economy was China; so it will be again. This time China, and indeed the whole of the region, has the advantage of being able to adopt not only state-of-the-art technology from the West, but also the West's state-of-the-art economic system.

The intellectual victory that the West won when China and the USSR adopted (admittedly rough) versions of market capitalism meant that the West had also lost the comparative advantage of what is, for all its many flaws, the best available way of organising an economy. For the next generation, at least, and maybe for the next century, the world economy will operate on pretty much a single economic system. Naturally regional variations in that system may well remain, but remember too that in a world of almost infinite information, any really effective variations can quickly be adopted elsewhere. It would be astounding if there were not some things that people in the American and European time-zones could not learn from people in the Asian one.

That is, however, a long way short of domination by Asia during the next century. For a start, there is an obvious fragility to the region. It is dominated by two great powers, China and Japan, which have had a historically difficult relationship. Their mutual security may, for the time being, be underwritten by the US, but we cannot assume that will continue indefinitely. There are also a series of specific political tests that will need to be taken, among them: the almost certain reunification of the two Koreas, the probable incorporation of Taiwan into China, and the possible transition to a real democracy in the region's other giant, Indonesia. The outcomes may not be towards the more favourable end of the scale.

So this rumble of market discontent of the last few weeks should be seen not as a sign that the East Asian economic miracle is over. The message is rather that now that the whole region is operating the market system, it will experience the same financial shocks that Europe and North America have come to accept. Booms will follow slumps, just as slumps will follow booms. That does not make such shocks any more welcome. It would be great if we could avoid them, or even damp down their amplitude. But we can't; and nor can they.

## The Windsors still don't understand us

by Suzanne Moore



The 'rainbow coalition' queues to sign Diana's memorial book

Photograph: Brian Harris

No one is bothering to ask each other what they are doing this weekend. No one needs to. If we are not going to line the route of Diana's funeral we will be watching it on TV. A unique funeral for a unique person maybe, but already there are mutterings that it will not be unique enough. What kind of public ritual, you might ask, could possibly satisfy everyone? What has been striking about the so-called "ordinary" members of the public who have displayed their overwhelming sense of loss is that so many of them are those who otherwise feel under-represented in society. Those who loved Diana truly were that prized political entity, a rainbow coalition of diverse groups – old and young, black and white, gay and straight.

Reporters in America have been remarking on the numbers of black and Hispanic mourners there are. Diana, it seems, spoke to everyone who has at one time or another felt marginalised. Diana the drama-queen was obviously a big gay icon, and not simply because of her work with people with AIDS. She spoke somehow to life's losers while coveting with its winners. How on earth can a state occasion, which of course this is, whether acknowledged or not, possibly represent such a diversity?

More to the point, how can the Royal Family, an institution that represents the antithesis of democracy, organise the funeral of a young woman whom people felt in their hearts to be instinctively full of democratic impulses, who consistently broke down the barriers between "us" and "them"?

The signs are already there that the other Royals have not, unfortunately, learnt a thing from this tragedy. Their apologists have informed us that the Royals just do things differently from normal people. Normal people think they just do things badly. The question the firm asked of Diana when she was alive, "Why can't she be more like us?" was always the wrong one. It should, of course, have been: "Why can't we be more like her?"

We are now experiencing the peculiar spectacle of a Labour government gently nudging the Royal Family into the 20th century, urging it to take notice of the people's wishes. The image of royalty since the death is that they are closeted away somewhere in their cold castle, unable or uninterested in judging the public mood. One can't help wondering whose advice they are taking, for it is the wrong advice. So concerned are they with keeping up appearances, they seem to have forgotten

just who those appearances are for. If the public is no longer impressed by stiff upper lips, by pushing grief-stricken boys into suits and sending them off to a church service where their mother is not even mentioned; if the future king cannot even put his arm around his young sons, then what and whom is it all

than high cultural taste. Diana liked Elton John and Wayne Sleep, Phil Collins and Prokofiev. If that is what she liked, then this is what she should have. That is, the funeral has both to capture the person she was as well as symbolise her huge importance. In order to do this, surely some of the protocol

are many who say that the route of the funeral procession is nowhere near long enough to accommodate all those who wish to turn out to see it.

The terrible shock of Diana's death might, one would have thought, have finally catapulted the rest of the Royals into the 1990s. Yet

fires and fountains throughout the land. A fitting memorial would be a funeral that truly included the dispossessed rather than merely the great and the good. We are promised that every effort is being made to do this. Yet whatever public rituals achieve, Diana's legacy, one hopes, is also personal.

One desperately wishes that her sons will be brought up in a more open and affectionate way than their bewildered father. There are few indications that this is even possible. To say emotional literacy is not the forte of the Windsors is a gross understatement. Modernity of the most everyday kind appears beyond their reach.

Constitutional experts inform us that all is well, that the reputation of the monarchy waxes and wanes, and that that is to be expected. To that, I simply say that the life and the death of Diana was not what we expected at all; that that was then and this is now. Right now the tremendous closeness that people felt to Diana only serves to underline the enormous gulf between "them" and "us". Whatever country the monarchy thinks it is ruling, it is becoming clear it is not the one that most of us actually live in.

## Having lost its most popular member, the firm has made the kamikaze decision to distance itself further

for? The horrible truth is that they are further isolating themselves. Charles is keeping up appearances for his parents, just as he has always done. Is he still, after everything that has happened, too weak to stand up to them?

Diana was the princess of a young country. Both she and "Call me Tony" Blair signalled a new informality, the end of the age of deference. Blair may do it through language and lifestyle; Diana did it physically, grabbing and hugging and touching. She literally held people to her. The establishment refuses to recognise that it is possible to be informal and still maintain dignity. Yet Nelson Mandela has done it, and Clinton has done it. Blair has done it and in many ways in their mourning for Diana, the great British public has done it.

Both Blair and Diana share a fairly middle-brow rather

there is little evidence of this. Instead they are desperately clinging on to old habits and old protocols in a manner that, whatever their intention, appears entirely dismissive of the public mood. Having lost its most popular member, the firm has made the kamikaze decision to distance itself further.

The Royal Family cannot reclaim her as one of them in death when in life they stripped her of her title. Public feeling is already running high at this hypocrisy. The Palace looks increasingly ill-equipped to deal with the desires of the people. In opening only five books in which people could give their condolences, they severely underestimated the demand. People were having to queue for up to eight hours and it was only after Richard Branson's plea on *Newsnight* that more books were fetched. Similarly, there

## 'The sooner she goes, the better'

Montserrat is only the tip of the volcano – Clare Short's critics are complaining of much more, says Paul Vallely

So now it is two-nil to the people of Montserrat. Clare Short, the Secretary of State for International Development, is to visit the volcano-hit island, it was announced yesterday. That news came on top of a £6.5m emergency housing commitment by her deputy, George Foulkes. It will all cost a lot more than the original plan to give each islander £2,400 and a one-way ticket off the dust-choked disaster zone.

It has not been a happy episode for Ms Short. First there was the "failure of communications", as the Foreign Secretary so delicately put it, between her and the islanders. Then there was her jibe that the whingeing colonials "will be wanting golden elephants next" – a remark she later described as unfortunate. Finally there was her *Independent on Sunday* interview, in which she complained again of anti-Short spin-doctoring unleashing vitriol "from either or both No 10 and the Foreign Office press departments".

But if the disillusion goes deeper, it is a two-way thing. "Over Montserrat she has demonstrated appalling political nous," said a senior official of one major British aid agency. "And it reflects two fundamental things about Clare Short – that she has total disregard for overseas emergencies and that she is an egomaniac. The sooner she goes the better."

It is not an isolated complaint. "At first we welcomed her. We thought she was unpredictable, but that gave her the capacity to raise the profile of these issues," said a policy-maker in another prominent development charity. "But we knew that her first six

months would be crucial, and the truth is she hasn't acquitted herself very well in them."

"A lot of people like her personally because she's not a politician's politician. She's outside the 'why is this bastard lying to me' loop. So people are reluctant to criticise her," said the director of a third. "But she's a bull in a china shop. She's tremendously passionate, but all our fears about her are being fulfilled."

This is serious stuff, for it comes from the heartland of what ought to be her most supportive constituency. What is the source of their discontent? Yesterday Ms Short was at The London Business School trying to persuade British industry that it has a positive contribution to make to development. She has previously been at the Institute of Directors to proclaim that in this area labour and capital are no longer in conflict. She is encouraging new mechanisms to promote fair trade and ethical business practice. All very New Labour, all very laudable.

"She's a tremendous visionary," said one insider there. "She will lead the department in a new direction. There is praise too for her linking development with trade and debt. She wants to counter Western protectionism and alleviate Third World debt in a more holistic programme. But, say her critics, there is some-

thing very Old Labour about her ideological insistence that such issues should knock emergency aid down the list of departmental priorities. They complain too of old-style statist instincts which say that poverty-alleviation can best be done by govern-



How well does Clare Short read her briefs? Photograph: PA

ments through other governments. The reality is that assistance best reaches the poorest people through development agencies and other Non-Governmental Organisations. All this might be dismissed as special pleading by NGOs, whose applications for government cash are being more carefully scrutinised, were it not for the fact that evidence of Ms Short's bias against aid is there in her speeches, most particularly in her speeches. And, at a supper for heads of agencies, she began by announcing "I'm not interested in aid". When the

aid workers demurred her response was "really snotty".

"She is clever; but arrogant," said a fourth senior aid official. "In this field it is necessary to work on many levels – emergency aid, development projects – and lobbying for policy change. But she seems to think the first two are unimportant." They contrast her approach with Robin Cook's careful walking of the difficult tightrope between trade interests and human rights in his ethical foreign policy. "She prides herself on challenging assumptions. And she does. But she doesn't always read her briefs properly and her challenges are not always based on a basis of fact."

The Department for International Development (DfID) already occupies the most junior position in Cabinet. If it is also at loggerheads with the Foreign Office, the agencies say, the result is the worst possible scenario.

The clashes are not limited to Montserrat, where the Foreign Office believed, after a visit by its minister Lady Symonds shortly after the election, that local politicians were probably right when they emphasised the need for British money to redevelop the north of the island away from the volcano rather than pay for resettlement elsewhere. There has been a lack of coherence between FCO and DfID policy in Zaire, Rwanda, Kenya and

over management of the World Bank. "Because of her ego she has a sense of rivalry with everyone," said a fifth leading aid worker. "The only question is will she go or will she be pushed – and if she precipitates a crisis will the department be absorbed into the FCO and lose its Cabinet status as a result?" Some are even talking about her successor. "We need to replace her with a bright young innovator who will restructure the policy in the way Chris Patten did when he held her position," said a senior official in one of the leading agencies.

Quite how much of this disillusion has fed itself into Labour circles is unclear. On his way to Montserrat Mr Foulkes said that the Prime Minister had telephoned him to wish him luck. "He told me he wanted me to resolve the situation and that he was relying on me to do that." It seemed an oddly maladroitness thing for the minister to say. Was it bumbling self-aggrandisement or was he trying to distance himself from his boss? "It seemed pretty treacherous in relation to his head of department," one agency director said yesterday.

Labour insiders insist that, despite Clare Short's dark suspicions, the Prime Minister and Foreign Secretary are doing all they can to support her. "Cook is bending over backwards to be good to her," said one. "But she can't go round announcing that she sees plots everywhere." Agency chiefs sadly agree. "In my heart I'm with her," said one. "But my head goes in the opposite direction. In the end if she slips on a banana skin it will be one of her own, not one of theirs. If she is impaled it will be on her own prickles."

THE INDEPENDENT

## True or False?

"I have a 1 in 3 chance of getting cancer"

For the answer to this and other questions read The Independent's special report on Pain on Tuesday 9 September 1997

In association with

Marie Curie Cancer Care



# business & city

## FINANCIAL JOURNAL OF THE YEAR

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BUSINESS & CITY EDITOR: JEREMY WARNER

## Boost for UK as Airbus lands \$4bn jet deal

Michael Harrison

Britain's aerospace industry was given a huge boost yesterday after the European aircraft manufacturer Airbus Industrie clinched a \$4bn (£2.5bn) order for 65 jets.

The order for a mixture of wide- and narrow-bodied Airbus aircraft, placed by the giant American leasing company ILFC, will bring in work worth hundreds of millions of pounds to British Aerospace factories and other component suppliers around the country.

However, Boeing is set to share in the bonanza with ILFC, a subsidiary of the US insurance giant American International Group, preparing to place an order for about 50 jets worth a similar amount with the US manufacturer.

BAe has a 20 per cent stake in Airbus and employs more than 10,000 people directly manufacturing wings but an estimated 50,000 UK jobs depend in total on the Airbus programme.

News of the order – the biggest Airbus has won so far this year – helped send BAe shares 50.5p higher to close at 1510.5p – the 3.5 per cent rise making them one of the best performing stocks of the day in the FTSE 100 Index.

This is the second boost for Airbus in as many weeks. Last Thursday the French socialist government dropped its objec-

tions to the transformation of the four-nation consortium into a single commercial entity, paving the way for full privatisation early in the next century.

There could be a further bonus for the British aerospace industry if Rolls-Royce succeeds in winning engine orders for the aircraft being bought by ILFC.

The Los Angeles-based company is acquiring 50 aircraft from the A320 range and 15 A330 jets, taking its total Airbus fleet to 266 and making it the consortium's biggest single customer with 11 per cent of the total order book.

The next biggest customers of Airbus are the national airlines of Germany and France, two of the other partner countries in the consortium. The fourth partner is Spain. British Airways has never ordered a single Airbus aircraft but it is one of the handful of airlines examining the proposed 600-seater Airbus super jumbo the A3XX.

Both the A320 family and the A330 are capable of being powered by Rolls Royce engines although the British company will be in competition with its larger US rivals, Pratt and Whitney and General Electric for the orders.

The ILFC deal brings the total Airbus order book to 2,392 aircraft and increases the number of jets ordered so far this year to 167. Jean Pierson, managing director of Airbus described the ILFC order as "a gratifying vote

of confidence and endorsement of our overall market presence and future objectives". Around 20 per cent of the world aircraft fleet is now supplied through operating leases to airlines.

Last year Airbus and its larger US rival Boeing, which has just completed the takeover of McDonnell Douglas, won 1,043 orders and 1997 looks like being another bumper year. Airbus's share of the world market is running at about 35 per cent.

It would be a stunning coup for Airbus if it could confirm an order worth up to \$19bn from US Airways for up to 400 aircraft. Last November the American carrier announced plans to acquire 120 Airbus jets worth \$5bn with an option to buy a further 280 worth \$14bn but the orders are contingent upon it reaching a deal with its pilots union by the end of this month.

The A3XX – forecast to cost at least \$8bn to develop – will only go ahead if the Airbus partners succeed in converting the business into a public company by 1999. Apart from BAe, the other industrial partners are Aerospatiale of France, Daimler Benz of Germany and Spain's Casa. BAe has indicated it is not interested in emerging with a shareholding greater than its current 20 per cent but expects in return to be compensated by the other partners for the greater value of the assets it will contribute to the new company.

## Maples furniture empire collapses after 150-year history



Maples, the furniture retailer collapsed into receivership yesterday more than 150 years after the first store opened on London's Tottenham Court Road, writes Nigel Cope. Receivers Deloitte & Touche blamed high debts and poor trading for the collapse but said they hoped to sell the business promptly as a going concern. They said there were no immediate implications for the group's 340 staff. The business has been experiencing cash-flow problems but a poor August bank holiday was the final straw. Trading was well below targets in spite of a last-ditch promotional effort which included five-year interest-free credit deals with nothing to pay for the first year. Clive Vaughan of retail analyst Verdict Research said: "It is surprising because they should have been doing well at the moment. They have a strong brand with an upper mass market clientele. This has been exactly where the windfall money has been going." Maples has 24 stores, including nine larger out-of-town outlets, specialising in high quality living room and dining room furniture. However, it has been a poor financial performer and the difficulties continued after a management buy-in from the Asda supermarket group in 1993. Maples owes £8m to its main bankers, Bank of Scotland and Citibank, the venture capital group which backed the takeover. It had sales of around £50m last year and is thought to have recorded a significant loss. Photograph: Hulton Getty

## Rock members to get £2,000

Clifford German

Qualifying members of Northern Rock Building Society will each get windfalls worth almost £2,000 when the society floats on 1 October. It was estimated yesterday.

The 500 free shares each member will be sent could be worth as much as 390p each, according to the Newcastle-based mutual's local broker, Wise Speke.

The forecast is based on the average price of shares in Abbey National, Halifax, Woolwich and Alliance & Leicester in relationship to their forecast earnings and the likely dividend yield in 1998.

The expected valuation reflected the high current rating of shares in the financial sector rather than an assessment of fair value. Wise Speke's analyst, Geoff Miller, said yesterday.

Unlike other converting societies, Northern Rock will not qualify for a premium rating as part of the FTSE 100 index, despite an estimated market value on flotation of around £2bn.

Information packs are being posted out to members, offering them a choice of selling their shares for cash before dealings begin, keeping them in a nominee account or receiving a share certificate.

Completed forms indicating what members want to do with their shares must be received by 26 September in order to sell at an auction of shares planned for the day before first dealings or to join a nominee account.

A single auction will be conducted by brokers Hoare Govett after hours on Tuesday, 30 September.

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## Centrica price cuts anger rivals

Michael Harrison

The gas industry regulator Ofgas was yesterday urged to intervene to stop British Gas from offering 1.5 million households in southern England reductions in their bills ranging from £40 to more than £100 a year.

The calls came after Centrica – the trading arm of British Gas – confirmed that it is to introduce its ValuePlus scheme in Kent, Sussex, Dorset and the former county of Avon. Under the scheme customers who pay by direct debit get 12 per cent off the standard tariff.

Ofgas immediately launched an investigation, inviting rival suppliers and customers to submit their views. Although these are almost certain to be universally hostile, there are doubts whether Ofgas will take any action since it has already approved the introduction of the ValuePlus scheme in south west England.

Nevertheless, independent suppliers and consumer bodies joined yesterday in attacking British Gas's move warning that it could stymie the devel-

opment of competition as full liberalisation of the domestic gas market is rolled out between now and June of next year.

Jim Whelan, managing director of Eastern Natural Gas, the country's biggest independent supplier with around 250,000 domestic customers, said: "We believe that the premature extension of ValuePlus will seriously undermine the continued growth of gas competition nationwide. The effect will be to discourage new suppliers and weaken smaller competitors to the detriment of growing customer choice."

Sue Slipman, director of the Gas Consumers Council, also sounded a note of caution, pointing out that it had opposed the introduction of ValuePlus in the south west as an example of predatory pricing.

She also called for Ofgas to commission an independent authority to establish whether sufficient competition had been established to allow Centrica to compete on price with rival suppliers.

Since the south west was

opened up in April of last year 118,000 of the 500,000 gas customers in the region – just under a quarter – have switched to a rival supplier. A similar proportion have switched over in southern England since the market was opened to competition in February and March of this year.

What appears to have upset rival suppliers is the speed with which ValuePlus is being introduced in the latest trial area. Centrica waited almost a year before launching the scheme in the south west but has decided to offer it in southern England barely six months after the start of competition.

Mr Whelan warned: "Competition in other parts of the country could be still born if people can see that they have only to sit back for a short while and wait for British Gas to start cutting the price."

Calotex, one of the biggest rival suppliers also criticised the move saying that competition was not yet sufficiently established.

The Gas Consumers Council has recommended that where at least 80 per cent of

consumers are aware that competition exists, British Gas should be allowed to start cutting its prices once its has lost 25 per cent of the market. But where consumer awareness is lower the council said that British Gas should have to wait until it had lost 55 per cent of the market.

Mike Alexander, managing director of British Gas Trading, said that research showed 95 per cent of customers in the trial areas were now aware that competition existed. But Ms Slipman said there was "a credibility gap in the monopoly supplier being their own judge and jury".

The price cuts will be available immediately and will mean a saving of £40 on the average annual bill of £350 but a reduction of £109 for large households with an annual bill of £900.

Competition is due to be extended to a further 2.5 million households in Scotland and the North east from 1 November with the rest of the country joining up in phases between February and June of next year.

## Wimpey upbeat about house market prospects

Magnus Grimond

George Wimpey, the UK's biggest house-builder, yesterday added its voice to the growing chorus seeing the current strength in the housing market spreading out from the South-east to the rest of the country.

Joe Dwyer, the chairman and chief executive, said the election, the Budget and higher interest rates had all passed without any real detrimental effect on consumer confidence.

Echoing very closely comments made by rivals Persimmon on Monday, Mr Dwyer said new house price inflation was running at 6 to 7 per cent in the South-east, dropping to only 1 to 2 per cent in the North and Scotland.

He painted a bullish outlook for the market, even though the growth rate could be cut in two next year, as the Government took action to dampen consumer spending, he said. "It is reasonable to assume that house price inflation will halve to 3 to 4 per

cent, but I would still suggest that is a very acceptable background against which to trade."

Mr Dwyer's comments came as Wimpey revealed a turnaround in its interim results to June, with profits of £12.5m replacing losses of £8.6m last time, boosted by a full six months' inclusion of the McLean Homes operation acquired in an asset swap with Tarmac in March 1996. The half-way dividend, which is being held at 2p a share, is covered by earnings for the first time since the late 1980s.

The group revealed it was ready to sell its Ardel housing land development operation in Australia as part of a disposal programme which has seen gearing drop from 57 per cent to 51 per cent since June 1996. Net assets at Ardel are worth around AS\$60m (£28m). If a sale is agreed this year, as expected, it would swell currently planned disposal proceeds of £50m for 1997. A further £80m of assets remain for disposal after that.

Mr Dwyer also revealed that Wimpey was looking to break out of mid-market private house-building, which became the group's core business after trapping its quarrying and contracting interests in last year's Tarmac deal. Mr Dwyer said they would look at acquisitions or organic growth in the markets for both luxury homes and "customised" units as part of urban renewal programmes and might contemplate a move back into sheltered housing, which many groups backed out of in the late 1980s.

Group completions rose 7 per cent to 6,143 in the first half, boosted by a 50 per cent increase in overseas operations, principally Morrison Homes trading in five US states, which broke even for the first time for several years.

Mr Dwyer forecast that the original Wimpey Homes business would be back up to 6,000 completions by next year, with McLean following the year after.

## Apple clone licence move boosts shares

David Usborne

New York

Apple Computers yesterday startled industry-watchers by agreeing to buy back the cloning licence it sold to Power Computing Corp in 1995 for \$100m (£63m).

The bold move, which boosted Apple shares, was instigated by Apple's co-founder Steve Jobs, who has been running the troubled computer maker for the past month while a search is conducted for a new permanent chief executive officer.

Mr Jobs is known to have disapproved of the agreements entered into by Apple since 1993 to sell licences to other computer makers to manufacture and distribute clone Apple products. Among those, Power Computing emerged as the most successful with an annual revenue last year of \$300m.

Rather than helping to expand the market share for the Macintosh operating system, as Apple had originally hoped, the clone-makers have instead eroded Apple's own sales through aggressive dis-

count pricing and direct marketing. It is this cannibalising process that Mr Jobs wants to reverse.

Apple and Power Computing had been in dispute for several months over access to Apple's technology and some kind of new arrangement between the two companies had been expected. Power Computing's former chief executive, Joel Koecher, resigned from the company last month over the arguments with Apple.

Under the deal unveiled yesterday, Apple will acquire the core assets of Power Computing, including the right to retain key employees with expertise in direct marketing and distribution. Apple will also gain Power Computing's customer data base.

Power Computing will retain its name and continue to sell Mac-compatible computers until the end of the year.

"Power Computing has pioneered direct marketing and sales in the Macintosh market, successfully building a \$400m business," Mr Jobs commented. "We look forward to learning from their experience, and

welcoming their customers back into the Apple family". The deal comes almost one month after a huge shake-up at Apple, which saw Mr Jobs returned to the board of directors as well as the revelation that Apple's former arch-rival Microsoft would be investing \$150m in the company.

It remained unclear what the implications of the Power Computing deal would be for other holders of Apple clone licences, which are principally Motorola Inc and Umax Computer of Taiwan.

## Salvesen hit by fresh setback

Magnus Grimond

A collapse in the pea crop has become the latest mishap to derail Christian Salvesen, the inflated transport to generator hire group, which has seen its shares fall since it rejected a 405p share offer from the rival Hays group last year.

Yesterday's coded profit warning, which came alongside further news of the group's demerger plans, saw the shares slip a further 6p to 276p. Sentiment was further dented by the revelation that the current finance director, Ian Adam, would not be staying with either of the companies resulting from the split.

Salvesen said volumes at its food services division, part of the continuing business and the UK's largest processor and packer of frozen peas, had been "significantly impacted" by the unusually wet weather in June and July. Tonnes processed were likely to be cut by around 40 per cent and the problem was being made worse by the increase in the value of the pound, sucking in imported peas from the Continent.

Edward Roderick, who will become chief executive of the new slimmed-down group if the demerger goes through, said prices had been generally flat, with declines experienced in some areas, as a result of

cheap imports from Belgium and Holland. He said profits in the business, which numbers Albert Fisher, Bird's Eye Walls, Sainsbury and Safeway amongst its customers, would be impacted if processing volumes failed to meet expectations.

Analysts suggested profits from food services, which dropped in £6.8m to operating profits last year of £44.5m at the continuing Salvesen business, were likely to be nearer £3m this year. One said that, with the continental logistics operation being hit on translation by the strong pound, it was difficult to see the group making up the shortfall elsewhere.

Meanwhile, Mr Adam, who had been earmarked to continue as Salvesen's finance director, will now only stay on to oversee the group's move from Edinburgh to Northampton in the next three months. He will get a pay-off amounting to £75,000.

Shares in Aggreko, the generator and temperature control equipment hire group which is being spun out of Salvesen, are expected to start trading on 24 September. Despite forecasts that both groups would make profits of around £31m or £32m this year, analysts expect Aggreko to open at around 150p a share, with Salvesen at about 125p.

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# STOCK MARKETS

### FTSE 100

Y-axis: 4760, 4800, 4840, 4880, 4920, 4960, 5000

X-axis: T, W, T, F, M

### Dow Jones\*

Y-axis: 7380, 7480, 7580, 7680, 7780, 7880, 7980

X-axis: T, W, T, F, M

### Nikkei

Y-axis: 17800, 18000, 18200, 18400, 18600, 18800, 19000

X-axis: T, W, T, F, M

\*Dow Jones Index and graph of 1996 hours

FTSE 100, Dow Jones, Nikkei

Indices						
Index	Close	Day's change	Change(%)	1996/97 High	1996/97 Low	Yield(%)
FTSE 100	4870.20	+52.70	+1.1	5086.80	4056.60	3.40
FTSE 250	4610.20	+6.80	+0.1	4729.40	4386.20	3.80
FTSE 350	2349.10	+21.20	+0.9	2488.00	2017.90	3.44
FTSE SmallCap	2241.58	+1.56	+0.1	2374.20	2179.20	3.20
FTSE All-Share	2296.00	+19.28	+0.8	2376.39	1999.70	3.42
New York*	7622.42	-72.01	-0.9	8259.21	5932.04	1.71
Tokyo	17974.30	-255.12	-1.4	20881.07	17302.85	0.891
Hong Kong	13425.65	-709.60	-5.0	16673.27	12055.17	3.174
Frankfurt	3869.95	+83.93	+2.1	4438.93	2840.77	1.421

Statistics as of 3 September

Statistics as of 2 September

INTEREST RATES									
Short sterling*		UK medium gilt		US long bond		Money Market Rates		Bond Yields*	
Index	1 Month	1 Year	3 Month	1 Year	Long Bond	Index	1 Month	1 Year	Long Bond
UK	7.00	7.50	7.00	7.91	7.06	8.02	UK	7.00	7.50
US	5.59	5.94	6.34	6.83	6.61	7.11	US	5.59	5.94
Japan	0.50	0.53	1.99	2.45	2.45		Japan	0.50	0.53
Germany	3.18	3.59	5.68	6.40	6.37		Germany	3.18	3.59

\*All rates are annualised

CURRENCIES									
\$/£		\$/DM		\$/¥		Pound		Dollar	
Index	Yesterday	Index	Yesterday	Index	Yesterday	Index	Yesterday	Index	Yesterday
\$/£	1.5123	\$/DM	0.6200	\$/¥	0.0071	£/Pound	1.5123	\$/£	1.5123
DM/£	1.6200	¥/£	151.23	£/Pound	1.5123	\$/DM	0.6200	DM/£	1.6200
¥/£	151.23	£/Pound	1.5123	\$/¥	0.0071	¥/£	151.23	£/Pound	1.5123

\*All rates are annualised

OTHER INDICATORS									
Oil Brent*		Gold		Euro Area		Index		Yr Chg	
Index	Yesterday	Index	Yesterday	Index	Yesterday	Index	Yesterday	Index	Yesterday
Oil Brent	18.26	Gold	324.55	Euro Area	112.8	Index	157.5	Index	157.5
Gold	324.55	Euro Area	112.8	Index	157.5	Index	157.5	Index	157.5

\*All rates are annualised

مكتبات الصحف



## Involving practitioners in City regulation



**COMMENT**

A regulator that regards itself solely as a consumer protection agency, refusing all compromise, will ultimately end up damaging the industry it is meant to police, and therefore the interests of the consumers it is there to protect.

It is hard to know for whom the Personal Investment Authority's decision to fine DBS Financial Management £450,000 is more embarrassing – DBS or the PIA. The PIA on Monday fined DBS this record sum for "serious failings" linked to the pensions mis-selling scandal. That's obviously highly embarrassing for DBS. But it is also pretty embarrassing for the PIA. DBS's chairman, Ken Davy, sits on the PIA's board, or did until he was prevailed upon to resign this week.

Worse still, the PIA's chairman is Joe Palmer, a former chief executive of Legal and General. L&G was recently singled out for special criticism by Helen Liddell, economic secretary to the Treasury, for failure to correct the pensions mis-selling scandal. Admittedly Mr Palmer has had nothing to do with L&G for some years now, so he cannot in any way be blamed personally for the company's tardiness in compensating victims, but he was there while the mis-selling was actually going on and can therefore be held ultimately responsible for it. If Mr Davy's position on the PIA has become untenable, what about Mr Palmer? Very embarrassing all round, it seems.

What lessons does this episode hold for Howard Davies, head of the super-SIB, as he struggles with the managerial issues of setting up the Government's giant new City regulator?

Most people might reasonably wonder why it is that practitioners, the people the PIA and others are meant to regulate, are represented

on these regulatory boards at all. The answer is that the PIA and its precursors were originally set up as self-regulating organisations. To all intents and purposes, the PIA is now a statutory regulator. The vestiges of self-regulation, nonetheless, remain. Seven out of the PIA's 17 directors are practitioners. The savings industry is also widely represented on the PIA's advisory panels.

And what's wrong with that, some will say? A regulator that regards itself solely as a consumer protection agency, refusing all compromise, will ultimately end up damaging the industry it is meant to police, and therefore the interests of the consumers it is there to protect. It would also plainly be highly dangerous for regulators to set detailed rules and regulations to govern practitioners in complete isolation. Moreover, the very fact that the PIA was prepared to take such heavy-handed action against someone who actually sits on its own board shows that the system works, that the PIA is not the organ of industry self-interest.

Unfortunately that is not the way the public will see it. There are usually a hundred good reasons why a complaint should or should not be upheld. The suspicion is that when regulator and regulated are one and the same, these excuses will always get the upper hand. It is just about possible for a poacher to turn gamekeeper, but the two roles should never be combined simultaneously.

The PIA will eventually be absorbed into the super-SIB, once the necessary legislation

is in place. Plainly it is important that the needs and concerns of practitioners throughout the financial services industry continue to be represented in the new super regulator. But do practitioners really need to be represented at board level? Moreover, should they ever become involved in disciplinary matters? Strangely enough, experience at the PIA and other City regulators is that practitioners are among the most hawkish in disciplinary cases, presumably because of the perceived wider reputational risk of malpractice to their industries. Even so, they probably shouldn't be directly involved in it.

Finding a way of involving practitioners in the super-SIB in a manner that is meaningful but also acceptable to the new Government and the public is one of the main challenges faced by Mr Davies in the run-up to next April's launch.

### What can Northern Rock gain from float?

Northern Rock's flotation at the beginning of next month brings to an end the penury-from-heaven summer of windfalls. In theory, being last out of the blocks should give Northern Rock the advantage over the other converting building societies of learning from their mistakes. If that was the strategy, Northern has been only partially successful.

Listing particulars published yesterday show Northern has plumped for a flat share handout on the Alliance & Leicester model, so avoiding the complexity of a Halifax-style tiered handout. It claims this is the fairest approach. Nonsense. The effect is to reward Johnny-come-lately carpetbaggers at the expense of long-standing investors with more sizeable deposits.

More intellectually defensible is its determination to sell all unwanted shares in one auction before dealing in the open market. This should avoid the blatant market manipulation that has occurred in some of the other building society flotations.

Less clear cut is just why Northern Rock is floating in the first place, given its stated intention of sticking to its traditional businesses of taking deposits and offering mortgages. Unlike its peers, Northern Rock has no need to access the capital markets to fund an expensive expansion into insurance and long-term savings.

According to the company, floating is the best way of maintaining its independence, though why this should be is not adequately explained. In any case Northern Rock is less likely than many of its rivals to fall to a bid because it is better managed and more efficient than its peers. Moreover, Northern is saddled with a poison pill that will hand 15 per cent of its value to a charitable foundation in the event of a takeover.

Members are certain to pay for their new dividends through less keen borrowing and

lending rates. There is a good case for arguing that members would have been better served had Northern foregone the £32m of conversion and flotation costs and remained mutual.

### Masters living on borrowed time

The continuing survival of Chris Masters at the helm of Christian Salvesen is one of those minor miracles of the modern age for which there is no rational explanation. Having seen Salvesen's management pass up a 40p-a-share offer from Hays last year, shareholders are having to make do with a stock price that languishes at just 276p. Chief executives have gone for a lot less. Fortunately for Mr Masters he has been given time to prepare an escape route. He'll be chairing the soon-to-be-independent Aggreko hire division, easily the best part of the demerged group.

Not before the group managed to sidle on another banana skin, however. This time it was the dreaded pea crop, which was washed out by this summer's unexpectedly heavy rains. As Britain's biggest processor of frozen peas, Salvesen was hit hard. An act of God maybe, but one which has damaged Salvesen before.

Ian Adam, the finance director, has decided to call it a day. How long before shareholders decide that Mr Masters might apply his talents elsewhere as well?

## Hang Seng investors waver on a 'crazy' roller-coaster

Stephen Vines  
Hong Kong

The roller-coaster which is the Hong Kong stock market plunged and soared yesterday as investors oscillated between moods of extreme pessimism and new found optimism. At one point during the day the blue-chip Hang Seng Index suffered a 525-point loss, taking it to a four-month low. However, by the close, the index had rebounded, gaining almost 310 points on the day – an increase of more than 2 per cent.

One trader described the day's business as "crazy, just crazy". He said that early indications were good as the Hang Seng Index had risen overnight. However, towards the end of the

morning session investors seemed disinclined to believe the good news and started flooding the market with sell orders.

By the end of the day some big institutional buyers, including Hong Kong's most high-profile businessman, Li Ka-shing, were reported to be coming back to the market, snapping up blue chips. Morgan Stanley was also reported to have been active in the market on behalf of some heavyweight clients. The securities house's activity sparked enthusiasm which carried through into the afternoon's trading.

The finance sector, led by HSBC Holdings and its subsidiary the Hang Seng Index, registered the best performance with an overall 3.6 per cent gain. However, enthusiasm for

blue chips was not reflected elsewhere in the market where China associated stocks took a hammering, following on from the pounding they received the day before. The index measuring stocks controlled by Chinese state-run companies fell more than 12 per cent. Meanwhile, the "red chip" index tracking the shares of China associated companies fell almost 10 per cent.

The big plunge in these shares led to rumours that China was withdrawing its support from the market. However, the Chinese government quickly rushed out an assurance that it would not take any measures to undermine Hong Kong's economic stability. The improvement in blue-chip share prices reversed a five-day sell-off, which followed a period of lacklustre trading in the equity of Hong Kong's leading companies. While this was under way smaller counters and Chinese-related shares saw unprecedented volumes of trading and little price loss.

Yesterday, the all ordinaries index dipped by slightly more than 1 per cent, suggesting that the market as a whole was far from in a state of recovery. This underlines the feeling that a single day's change of sentiment is insufficient to bring the bulls back into the Hong Kong market.

"The short-term outlook remains volatile and bearish based," said a commentary by Nikko Securities yesterday. The relatively good news from Hong Kong was reflected to a more limited extent in both South Korea and Singapore, where share prices rose modestly. In Bangkok the troubled stock exchange finally stopped falling and registered a 4.4 per cent increase. However, the Thai baht hit a new low against the US Dollar, closing at 34.65. The same fate befell the Philippine peso, which slumped to a record low against the dollar.

Meanwhile the ever-volatile Taiwan market continued to plunge alongside the B share markets in China which are open to foreign participation. In Malaysia, where both share prices and the local currency registered declines, Prime Minister Mahatir Mohamed returned to the fray, hitting out at international speculators who have wiped 35 per cent off the value of the Malaysian ringgit in recent weeks. "We should shoot these people," he said.

## US shares soar on hopes interest rates won't rise

Diane Coyle  
Economics Editor

Wall Street shrugged off its recent gloom when share prices soared yesterday thanks to renewed hopes that US interest rates would not have to rise in the near future.

New figures suggested American industry grew at a slightly slower pace in August than in July, trimming the odds that the Federal Reserve would increase rates at its next policy meeting.

But experts said the stock market would stay volatile this week, with figures for job creation and wage rates last month due to be published on Friday.

Traders returned from Monday's Labor Day holiday to send the Dow Jones industrial index soaring as much as 179 points, or 2.1 per cent, to 7,801 by mid-morning. This recovery dwarfed Friday's 72-point fall. It also drew a line under the

Dow's 7.3 per cent decline during August, the worst one-month performance since the outbreak of the Gulf War in August 1990. The upbeat start across the Atlantic helped the FTSE 100 index in London close 82 points higher at 4,951.9.

The monthly survey of industry by the National Association of Purchasing Managers, showing a slight drop in the pace at which US manufacturing is expanding, was given as the explanation for the post-holiday euphoria in the financial markets, even though economists cautioned that the survey also revealed worrying evidence of inflationary pressures.

The index of activity eased back to 56.8 from 58.6 in July. Output and new orders grew more slowly last month.

On the other hand, three other components of the overall index – employment, prices and delivery times – pointed to in-

creased inflationary pressures. Manufacturers reported they were creating new jobs for the sixth month running, while delivery times, an indicator of supply bottlenecks, lengthened.

Jonathan Basile, an economist at HSBC Markets in New York, said this was one of Alan Greenspan's favourite inflation indicators. "It means a longer time for producers to deliver their goods to buyers. That translates into an imbalance that could spell inflationary pressure."

The survey's prices index picked up further in August after falling above the 50 level in July, suggesting manufacturers have to pay more for materials. However, other economists said the strike at carriers UPS had increased delivery times. An increase in the price of Treasury bonds yesterday suggested the NAPM survey had relieved concerns about the outlook for interest rates.

## Call to appoint ministers for each region

Michael Harrison

Business leaders yesterday called on the Government to appoint a full-time minister for each region of the country in a bid to kick-start economic development and improve competitiveness.

In a report to ministers the British Chambers of Commerce also recommended the whole system of regional support be streamlined so that regional development agencies took over most of the responsibilities of agencies such as English Partnerships, the Rural Development Commission and regional government offices.

Another of its recommendations is that business leaders be given a much more central role in the planning and implementation of regional economic development. It calls, for instance, for the creation of a single unified business support organisation to integrate the functions currently carried out separately by individual chambers, Business Links and Training and Enterprise Councils.

The aim of appointing dedicated ministers for different regions would be to ensure effective representation of each

of those areas at national and international level, aid co-operation between the regions and act as a conduit for the flow of regional and national policies.

The report is the BCC's contribution to the Government's consultation exercise on regional development agencies instituted by the deputy Prime Minister, John Prescott.

Sir Desmond Fitcher, the chairman of United Utilities, who led the taskforce that prepared the report, said: "Government must not fight shy of a radical approach to regional development. Tough decisions will have to be taken and Whitehall must be prepared to devolve responsibility for economic development strategies to regional level."

Dr Ian Peters, deputy director-general of the BCC, said meanwhile that business had to be given the lead role in local and regional development if economic prosperity was to come from business competitiveness.

"Government must encourage genuine economic partnerships to take responsibility for strategy while giving regional development agencies the power to deliver," he said.

## PPL to put human genes into cows

Sameena Ahmad

PPL Therapeutics, the biotech company that produced Dolly, the world's first cloned sheep, and Polly, the first sheep to contain a human gene, yesterday announced its next major goal – a blood transfusion product. Dr Ron James, PPL's managing director, aims to replace a cow gene with a specific human gene.

The long-term aim is to replace the bovine serum albumin gene in cows with the human serum albumin gene. Doing that would enable PPL to produce, in cows' milk, large quantities of plasma extender

protein. The protein is essential in treating victims who have suffered massive blood loss.

Administering the plasma, a part of whole blood, substitutes for a traditional blood transfusion without wasting time matching blood types. At present, around 600 tonnes of plasma extender is administered every year in the UK – a market worth £2bn. Manufacturing such large quantities of the protein is difficult and costly. But using cows' milk would speed up the process. The first step is proving that human genes can be transferred into cow cells.

### IN BRIEF

#### IMI may move production overseas

IMI, the engineering group, warned it was considering moving some of its production away from the UK if the pound continued its rise against the mark and the dollar. The group also said it would sack another 300 workers around the world in the second half of the year, following 900 redundancies in the past six months, as part of a large-scale cost-cutting program. IMI pleaded the market by announcing a rise in operating profits to £70.4m (£67.2m) despite a £10m hit due to the strong pound and its shares rose 18p to 358.5p.

*Investment column, page 20*

#### Goode Durrant buys rentals firm for £28m

Goode Durrant is to buy Transport Development Group Rentals from Transport Development Group for £28.2m. Goode Durrant said it would raise £22.9m through a placing of 5.4 million shares at 420p, and would borrow the remaining £5.3m. "The purchase of TDG Rentals will, in the first full year under Goode Durrant's ownership, result in greater earnings share than would have been achieved without the acquisition," the company said. TDG Rentals has a fleet of 2,440 vehicles, as well as depots, and is free of debt, and will be used to develop Goode Durrant's commercial vehicle hire business in Northgate.

#### Ranger Oil and Elan Energy to merge

Ranger Oil has agreed to merge with Elan Energy in a deal worth £566m (£258m). Ranger will pay Elan shareholders £310.55 per share or .79026 of a Ranger share. The merged group will be one of the 10 largest independent public Canadian oil companies, with a portfolio of natural gas, light oil and heavy oil production. The bigger group hopes it will have more financial clout to develop heavy oil deposits, which are vulnerable to the cyclical nature of heavy oil prices.

#### Greenalls sells four hotels for £21m

Greenalls Group has sold four De Vere hotels for £21m in cash. The three three-star hotels – Tillingham Hall in Stafford, The Abbey in Great Malvern and The Bull in Gerrards Cross – have been bought by Sarova Hotels for £15.2m, while the four-star De Vere Coventry was sold to Britannia Hotels for £5.9m. De Vere now operates 16 hotels.

#### Casino rejects takeover bid by Promodes

Casino's board has rejected Promodes's takeover bid, a move analysts said could raise the price of what would be France's biggest retail merger. "Taking into account the results and the prospects of the Casino group, the members of the supervisory board have declared themselves unanimously against this offer," the board said. On Monday Promodes made a Fr19.1bn (£1.95bn) unsolicited bid for Casino and a Fr6.7bn offer for Rallye, which owns a third of Casino. The Rallye board, which also met yesterday, hasn't yet declared its intentions. If the long-expected bids are successful, Promodes would become the country's largest retailer, ahead of Leclerc and Carrefour.

#### Capita wins £9.5m Naafi contract

Capita has won a £9.5m contract awarded by the Navy, Army, Air Force Institutes (Naafi) to run its central administrative support services over five years. By November Capita will manage Naafi's central administrative support services, which include accounts, payroll, personnel and pensions administration and related IT services. More than 160 Nottingham-based staff will transfer to Capita as part of the contract.

#### UK official reserves rise \$10m in August

UK official reserves rose an underlying \$10m in August following an \$18m rise in July, the Treasury said. The overall level of official reserves fell by \$35m in August, bringing the end-August reserves to \$41.106bn.

## 'New MJN Best Buy MMX Systems'

MJN's 200M system based on Intel Pentium 200MHz processor with MMX Technology, large 4.3Gb hard drive, 32Mb RAM, superb 15" screen and 33.6 voice modem is now available at a truly sensational price of just £999 +VAT

The new 200M-2 systems featuring faster IBM MX processor with MMX Technology provides the highest specification with a massive 64Mb RAM, 56K voice modem, 24 max speed CD and latest SIS advanced graphics using 4Mb and 3D WaveTable stereo sound - all from an amazing £1099 +VAT

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- 15" SVGA 0.28dp screen
- 256K pipeline burst cache
- 64-bit graphics using 2Mb system RAM
- 16-bit stereo sound
- SoundForce 525 stereo means powered speaker system
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- Windows 95 and Lotus SmartSuite 97
- Standard features listed below

£1173.83

Including VAT

£999

Plus VAT

Model: 695

Standard Features

3.5" 1.44Mb floppy drive, PS/2 mouse, 105 keyboard, software MPEG, Year 2000 compliant BIOS, PS/2 mouse port, test serial port, parallel port, games port, Microsoft® Windows® 95 and Lotus SmartSuite 97

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Example: MJN 200M-2. Pay per £14.59 (10% deposit and 10% interest per 10 months. After 10 months pay the full balance. New = cash price = £92.83 + £2.00 = £94.83 + VAT = £103.21 inc. VAT. 99% 0% only 10% deposit over 10 months. Payment due monthly over 10 months at 2.5% p.a. APR. 2.5% Finance is subject to credit. Values shown are subject to request.

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- 56K fax voice modem
- 15" SVGA 0.28dp screen
- 512K pipeline burst cache
- SIS 64-bit advanced graphics using 4Mb system RAM
- 3D stereo sound with WaveTable software
- SoundForce 525 stereo means powered speaker system
- MJN advanced ATX midi tower system
- Windows 95 and Lotus SmartSuite 97
- Standard features listed below

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Including VAT

£1099

Plus VAT

Model: 597

Standard Features

3.5" 1.44Mb floppy drive, PS/2 mouse, 105 keyboard, software MPEG, Year 2000 compliant BIOS, PS/2 mouse port, test serial port, parallel port, games port, Microsoft® Windows® 95 and Lotus SmartSuite 97

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Printer Option

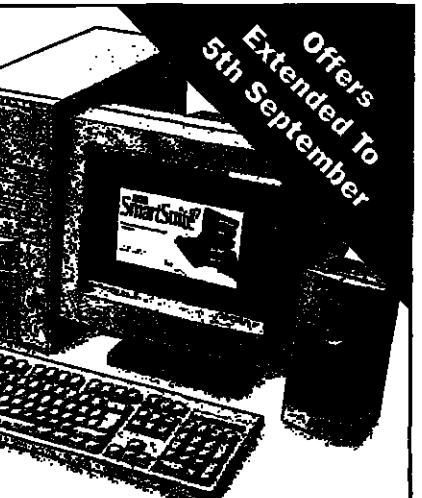
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- 512K pipeline burst cache
- SIS 64-bit advanced graphics using 4Mb system RAM
- 3D stereo sound with WaveTable software
- Executive speaker system with large subwoofer
- MJN advanced ATX midi tower system
- Windows 95 and Lotus SmartSuite 97
- Standard features listed below

£1526.33

Including VAT

£1299

Plus VAT

Model: 696

Standard Features

3.5" 1.44Mb floppy drive, PS/2 mouse, 105 keyboard, software MPEG, Year 2000 compliant BIOS, PS/2 mouse port, test serial port, parallel port, games port, Microsoft® Windows® 95 and Lotus SmartSuite 97

MJN Plus Models

MJN PLUS models are only £79 +VAT = £92.83 inc. VAT extra and include Joystick, Microphone and 10 CD multirames 100s.

MJN Interest Free Option

Buy Now Pay Later

Only on PLUS models

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Printer Option

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## business

## Currency concerns haunt IMI

## THE INVESTMENT COLUMN

EDITED BY MAGNUS GRIMOND

Engineers and exporters have been about as popular among investors as a bull in a china shop over the past few months. The rise in the value of sterling against other currencies, most notably the dollar and the mark, has hit overseas earnings.

IMI is one of the host of companies that have been affected by the negative sentiment. Its shares had fallen by 15 per cent since the start of the year, underperforming the stock market by more than a quarter before yesterday's interim results announcement.

At first glance it is easy to see why. Every time IMI makes an announcement, the group increases its forecast of the impact currency will have on profits this year. First it was £10m, then £15m, and now it is £20m.

The worry is that half of this hit relates to falling export margins, as the group has been forced to lower prices to maintain volumes in the face of the soaring pound.

However the concerns mask IMI's encouraging underlying performance. It managed to confound its critics yesterday with first-half figures well ahead of expectations, causing the shares to jump 18p to 358.5p. Operating profits before exceptional rose to £70.4m from £67.2m before and underlying profits, ignoring the currency hit, rose an encouraging 13 per cent.

IMI has successfully restructured its portfolio over the past few years, selling poor performers such as its titanium business and closing down its troubled divisions. And a recent string of acquisitions are beginning to pay off, accounting for a third of the profit growth.

The best of the bunch is Heimeier, a German plumbing fittings maker, which has shrugged off the economic problems in its domestic market to produce good growth.

Tour & Andersson Hydronics, a Swedish heating parts manufacturer, looks another decent buy.

Its US businesses are also going well, thanks to a buoyant economy and a pleasing habit of being able to continue to pick up market share over there.

As always, however, IMI is a mixed picture. Its drinks dispenser business, for example, which sells dispensers to fast-food outlets through the likes of Pepsi and Coca-Cola, is doing well in the US but faces stiff competition in the fast-growing Far Eastern markets.

And currency worries are still likely to haunt the share price. There is a concern among analysts that IMI has not yet felt the full effect of a rising tide of cheap imports from the Continent.

Even so, Panmure Gordon is forecasting full-year profits of £147m.

## CMG's rating at a dizzying high

CMG, the Anglo-Dutch computer services group, is spreading a little happiness, at least to its shareholders. For a start, around 30 per cent of the company is owned by its employees.

Lucky them. Since it floated in Holland and the UK at 290p a share at the end of 1995, the price has soared. After yesterday's rise to 1,477.5p, the group's shares stand on a prospective rating of 43 times earnings - pretty dizzying even for those accustomed to the stratospheric valuations of IT stocks.

Is this rating justified? Only partly. The company has an impressive record of attracting and keeping staff, vital in an industry where chronic people

shortages are the only real restraint on growth. CMG's 11 per cent staff turnover is half the industry average. And by requiring all staff to take chunky shareholdings in the company, CMG keeps wage inflation at just 10 per cent, while discouraging job-hopping to chase the best salaries.

CMG's size and strong presence in both the Netherlands and UK also means that it can attract global clients. It is also positioned in the fastest-growing IT markets - finance, telecoms and information processing represent 60 per cent of turnover - where customers such as Deutsche Bank have deep pockets.

CMG thinks it can grow faster than an already soaring market. It is certainly justified in believing that demand for IT services will continue, even when the year 2000 and Euro crises, just a tenth of its work, have faded.

But it is hard to see how CMG can sustain current growth rates. Part of the 33 per cent leap in half-year profits to June was a result of a return to profit in Germany.

Those arguing that a weaker pound will prompt further profit upgrades are considering only CMG's UK shareholders. The profit rise in constant cur-

rency would have been 60 per cent in Dutch guilders.

Just as enthusiasm from CMG's Dutch shareholders has driven the group's share price, any weakening of the pound may prompt profit downgrades in Holland.

Ross Jobber at UBS forecasts full-year profits of £34.8m. On its current rating, CMG will be hit hard if it fails to match expectations. High enough.

## Wimpey treated unfairly by City

George Wimpey has almost completely reinvented itself since swapping its contracting and quarrying interests for Tarmac's McLean Homes house-building operations. Unfortunately, the City has remained studiously unimpressed and, despite a soaring stock market, the shares, down almost 4p at 126p yesterday, are almost exactly where they were when the deal was announced at the end of 1995.

That seems unfair, as Joe Dwyer, the Wimpey chairman and chief executive, has delivered on nearly all his promises. Yesterday's interim results to June showed the UK's biggest house-builder swinging from a loss of £8.6m to profits of £12.5m in the six months to June. The half-way dividend, held at 2p, is covered for the first time for years, and gross margins in both Wimpey Homes and McLean are at 20 per cent or above and both operations are on target to reach 6,000 house completions by 1998 or 1999.

Wimpey appears to have done well out of the Tarmac swap. However, the market retains fears that the group is having to spend lavishly to lengthen its land bank, particularly at McLean and in the south. The £144m spent on land this year leaves Wimpey Homes' land reserves at 3.1 years' sales and McLean's at a thimble 2.5 years. But Wimpey does not appear to be over-spending, with land costs at between 20 and 25 per cent of sales price, while long-term land banks remain strong.

Indeed, with the housing market in upswing at the moment, Wimpey should squeeze at least three more years' growth out of its basic business, while also moving into new areas such as luxury homes, refurbishment and sheltered housing.

Full-year profits of £60.8m would put the shares on a forward rating of just 11. Too low, but likely to remain so while fund managers PDM and Mercury Asset Management sit on around 50 per cent of the shares.

## Portfolio plans put paid to a peaceful retirement

## PEOPLE &amp; BUSINESS



Jonathan Fry: Little prospect for more time indulging a passion for roses

Jonathan Fry has set about preparing for his retirement as chief executive of Burmah Castrol next year with a passion, yesterday making £435,000 by selling shares in the oil company, at the same time adding the chairmanship of the Harrisons & Crosfield mini conglomerate to his growing portfolio of non-executive directorships.

Mr Fry sold shares acquired through the group's executive share option scheme. He also took on another directorship, while already being chairman of Christian Salvesen, the logistics group, and deputy chairman of Northern Foods. Mr Fry admitted he will not have much time for his hobbies as most people when they retire. "I'd love to have more time for my roses," he said. But switching off from business is proving difficult.

He has been with Burmah since 1978, when its shares were changing hands at just 33p, showing "how little credibility the company had with the market. Now they're worth £10.70." He hopes to turn his experience to good stead at Harrisons, which has some good components but has failed to convince the market of its overall worth, he says.

Mr Fry actually started off as a management consultant with McKinsey in the 1960s, which was rather like "having a business school education at someone else's expense." He also thinks consultants did so well then because British management was pretty poor.

There are now family connections with the City, as well as work. Mr Fry has a formidable quartet of daughters, two of whom work in the Square Mile - Lucy at the blue-blooded brokers Cazenove, and Camilla at Hoare Govett.

Meanwhile, the ever-busy Mr Fry will have to continue to neglect his garden, and his favourite hobby, cricket. He is convinced that English cricket can recover from its present slump, and that Lord MacLaurin's reforms will pay off: "If anyone can do it, Iain can."

The gigantic McGraw Hill publishing group which owns Standard & Poors and Business Week magazine among many other things, has just appointed John D Negroponte as an executive vice president of its Global Markets division. Mr Negroponte has to have one of the most intriguing CVs I've seen for some time. His 37-year career with the US State Department included a stint in Saigon during the Vietnam war. He was a member of the delegation to the Paris Peace Talks on Vietnam in 1968-9. He has also advised a series of US presidents on security issues as well as being Ambassador to Honduras, Mexico and the Philippines.

He speaks French, Spanish, Greek and Vietnamese, in case you were wondering. Harold McGraw III, the company's President, says: "With John on our team, we can take advantage of a wealth of new opportunities. In particular, we are targeting Asia and Latin America as key markets." They'll never stand a chance.

Gerry Acher, bumpy head of audit at KPMG, is currently in China, readying himself

for the Peking-Paris Rally which starts on Saturday. Since the vintage car venture via the Himalayas is due to last about six weeks, the entire audit world is in limbo, insiders tell me. Our Gerry is driving a 1932 1.5 litre "Baby" Aston Martin, a tiny two-seater convertible. He has been warned by the organisers that his car only has a 20 per cent chance of completing the rally. Undaunted, Gerry has this week raised his target for the amount he intends to raise for charity, from £100,000 to a cool quarter of a million.

Nigel Challis, another KPMG inmate, is also taking part - in a somewhat sturdier 1955 Land-Rover. So even if Gerry's Baby blows up he'll be able to hitch a ride home.

Gerry is taking with him a satellite hand phone, keyboard and digital camera with which he will report his progress daily to the KPMG web site, so that stunned bean counters will be able to follow his progress through the tundra back to civilisation.

A generational shift is going on at Peter Black Holdings, the fully listed £200m company which makes and markets household goods such as healthcare, beauty and fashion products. Chairman Gordon Black says that Dick Leivers will be 60 in November 1998, when he will retire as chief executive and become a non-executive director. Stephen Lister, the current group finance director, will succeed Dick as chief executive. Neil Yewdall, who has been with the group for 13 years, will be the next group finance director. "These early announcements will facilitate a smooth transition," Mr Black said.

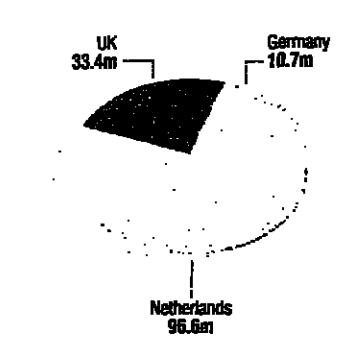
John Willcock

## CMG: At a glance

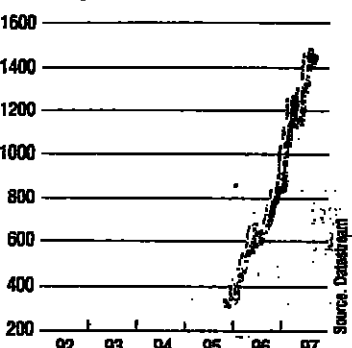
Market value: £94bn, share price 1477.5p (+42.5p)

	1994	1995	1996	1996	1997
		Full year		Half year	
Turnover (£m)	146	196	245	117	141
Pre-tax profits (£m)	14.1	18.5	27.5	11.3	15.1
Earnings per share (p)	13.9	18.2	27.4	11.4	14.9
Dividends per share (p)	5.00	4.45	6.00	2.0	2.8

## CMG Turnover Six months to June 1997



## Share price pence



## Company Results

	Turnover £	Pre-tax £	EPS	Dividend
Peter Black (P)	154.6m (122.2m)	17.1m (7.8m)	19.71p (7.6p)	8.2p (5.9p)
CA Credits (C)	12.21m (8.75m)	539.484 (£64,000)	6.2p (3.5p)	0.9p (0.75p)
CRH (H)	101.33m (101m)	105.7m (£64.1m)	13.2p (13.96p)	3.45p (3.08p)
CMG (G)	140.7m (116.62m)	15.12m (11.34m)	14.9p (11.4p)	2.8p (2.0p)
Quam Motors (M)	173.6m (134.5m)	4.01m (2.35m)	12.7p (9.7p)	2.5p (2.0p)
Everest Energy (E)	279.015 (£248,248)	-160.334 (£224,201)	-0.02p (0.55p)	
James Finlay (F)	50m (56m)	2.6m (4.9m)	1.8p (2.8p)	1.8p (1.5p)
Heritage Batteries (B)	18.69m (15.2m)	3.82m (2.92m)	14.4p (11.7p)	6.4p (5.2p)
Iceland (I)	711.2m (£81.3m)	17.9m (£9.8m)	3.44p (7.06p)	1.8p (1.8p)
IMI (I)	715m (£90m)	79.4m (£38m)	14.4p (£1.1p)	5.4p (£0.9p)
Lambert Hewart (H)	51.1m (£45m)	1.7m (£90,000)	7.8p (4.4p)	2.75p (£2.25p)
Lucas Printing (P)	21.3m (£17.3m)	2.6m (£1.73m)	11.1p (£0.9p)	2.7p
Maceo 4 (F)	23.43m (£23.32m)	10.3m (£12.5m)	33.8p (£7.5p)	15.2p (£4.3p)
Mears Group (G)	7.07m (£6.92m)	572,000 (£205,000)	0.54p (£0.43p)	0.1p (nil)
Parasoft (I)	-1-1	27.804 (£35,793)	0.37p (£0.44p)	nil
Parasoft Funds (F)	14.2m (£9.5m)	1.025m (£56,000)	3.7p (£3.5p)	2.5p (£2.4p)
Parika Group (G)	174.5m (£48.02m)	9.065m (£4,267m)	9.4p (£7.7p)	2.6p (£2.5p)
Perk (H)	63.7m (£1.5m)	-1.51m (£3.44m)	-0.7p (£1.8p)	0.4p (£1.05p)
PPL (I)	541,000 (£2.13m)	-5m (£1.95m)	-0.2p (£0.29p)	
Save Group (S)	203.7m (£242.1m)	4m (£3.77m)	4.1p (£3.5p)	3.2p (£2.2p)
Serve (F)	244.4m (£187.6m)	10.17m (£8.8m)	11.5p (£8.6p)	2.0p (£1.7p)
Stadson Group (G)	31.44m (£25.32m)	2.74m (£2.19m)	6.0p (£7.0p)	1.6p
Thistle Hotels (H)	160.2m (£148m)	34.1m (£34.1m)	5.87p (£0.01p)	1.4p
Trafficmaster (T)	2.38m (£2.17m)	-594,000 (£1.42m)	-2.1p (£0.2p)	
George Wimpey (W)	529m (£593m)	12.5m (£8.6m)	2.33p (£1.68p)	2.0p (£2.0p)

(F) - First (I) - Interim (H) - Half year

## Thistle a 'lousy investment' say shareholders

Andrew Yates

Thistle Hotels, one of the UK's largest hotel groups, came under fire from angry shareholders and analysts yesterday when it announced disappointing profits for the six months to July, causing its share price to plunge 19p to 132p compared to last October's flotation price of 170p.

The poor figures prompted analysts to predict that the strong growth the London ho-

tel market has enjoyed over the past few years was beginning to slow.

One of Thistle's institutional shareholders said: "We are very disappointed with Thistle. It has been a lousy investment since it floated and we are not happy."

Industry sources suggest Thistle may now be a bid target or that rivals could look to buy a large stake in the group. Brierley Investments, the New

Zealand-based investment group, and the Singapore government own about two-thirds of the company and are allowed to sell their shares any time from next month.

One leading analyst said yesterday: "Thistle was overvalued at flotation. The share price fall makes it more likely that rivals will look at Thistle and there will be some corporate activity."

Bruce Jones, analyst at the group's house broker, Merrill

Lynch, said: "There is no doubt that the London hotel market will slow down by 1998 due to the cyclical economy and the strength of the pound. Occupancy rates are already showing signs of peaking."

He has downgraded Thistle's profit forecasts by £10m to £80m for the current year.

Thistle announced a 9 per cent rise in operating profits to £55m for the six months to July but warned that operating prof-

its for the financial year would only be "slightly above that achieved in the first half".

Robert Peel, Thistle's chief executive, said: "I am obviously disappointed for our shareholders. We did not do as well as hoped. However our strategy has not changed."

Mr Peel denied that administration costs were getting out of control after they jumped 18 per cent to £7.9m in the first half. He said most of the in-

crease was due to one-off costs associated with the group's flotation last year and a £300,000 increase in directors' pay. Thistle also launched a £450,000 marketing campaign to attract customers from America after fears that the rising pound would hit custom.

However its initiatives were not enough to stop revenue from Japanese and European customers falling sharply due to sterling's strength.

## Iceland offers home delivery from all stores

Nigel Cope City Correspondent

Iceland, the struggling frozen food retailer, yesterday announced the nationwide roll-out of its home delivery service in a move that will create 1,000 jobs. The service, which has been tested for a year, will be available in all Iceland's 770 outlets by the end of this month.

Malcolm Walker, chairman, said home delivery would attract new shoppers, expand its demographic target market and increase the average spend in its shops: "We'll see no benefit from this for a year and it will be a long haul. But we are doing something unique. There are massive costs but it is getting massive take-up. The customers love it."

The comments came as Iceland announced an 18 per cent fall in pre-exceptional half-year profits to £24.5m. The company could not explain how its results came to appear in one national newspaper a day ahead of schedule. The Stock Exchange expressed some concern but said there had been no breach of its rules.

Iceland's home delivery service is free to customers though they must hold the company's Privilege loyalty card and spend a minimum of £25. The drawback is that customers must visit the store to make their purchases and must live within a 10-mile radius (or three miles within the M25).

Deliveries are made during normal trading hours within two-hour time slots. Mr Walker said the service

would be attractive to its core market which is the 60 per cent of British housewives who do not have access to a car from Monday to Friday. Half its stores do not have car parks.

Iceland has spent £12m developing the system. It has bought 850 refrigerated vans and will employ an extra 1,000 staff. It is testing a telephone ordering system in one area using a call centre at its head office in Decade in north Wales.

Though Mr Walker claimed the launch was a unique system that was ahead of rivals, it was criticised by analysts. David McCarty, food retail analyst at BZW, said: "I don't think it will work. It is too expensive to run and too easily copied."

Somerfield is testing a similar home delivery system with telephone ordering. Others such as Tesco and Sainsbury's are well advanced with Internet ordering and call-and-collect systems, where customers order by phone or fax then visit the store to collect their shopping.

Another analyst said: "They had to come up with a new idea but you still wonder where the growth is going to come from. I don't believe it will win new shoppers to the chain."

In the six months to 28 June Iceland improved its sales by 4.4 per cent to £711m. Like-for-like sales rose by 1.1 per cent during the period and are up by 2 per cent in current trading.

The company said it expected home delivery to increase sales by a level sufficient to cover its costs. This would mean a like-for-like uplift of around 3 to 4 per cent.

## Rover signs up for traffic system

Sameena Ahmad

Trafficmaster is in advanced discussions with BMW to fit all new Rover cars with its Oracle audio traffic information system, say industry sources. Insiders also reveal Celbnet as the identity of the cellular telephone operator which in July signed a £15m, three-year deal with Trafficmaster to provide live traffic information through its mobile phone handsets.

Speaking as Trafficmaster reported half-year losses more than halved and said it would break into profit this year after signing three contracts since April worth £20m, Bill McIntosh, finance director said he could not comment on the identity of partners, but hoped to announce "a couple" of new tie-ups before the year-end.

"Timing depends on our customers. But we are talking to all the major car makers," he said. A deal with Rover would be Trafficmaster's third with a car manufacturer. Vauxhall, which already fits Oracle in all its new Vectra cars, has agreed to a new two-year agreement worth £12.5m to buy 150,000 units a year. Vauxhall will also fit the Oracle system, which beams local traffic information through the car radio, as standard in its Omega model.

Mr McIntosh said the Vauxhall and cellular phone contracts alone should deliver 170,000 units in the second half of 1997. Analysts predict full-year profits of up to £700,000 compared with losses of £594,000 in the six months to June on sales more than doubled to £2.88m.

## The Impact of Fees

Higher Education Funding after Dearing

Tuesday 9 September 1997 Cumberland Hotel, London W1

A special conference called by the Committee of Vice-Chancellors and Principals to examine the Government's funding proposals, in the light of the Dearing Report and the short and long term funding challenge for higher education. It will consider the proposals' implication for access, equity, employment, growth, standards and quality and for policy development and research into higher education funding. A major conference for university and college policy makers, business leaders, student service organisations, professional bodies, academics, local education authority members and officers and graduate recruiters.

## Speakers include:

Andrew Marr  
Editor of Independent  
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Higher Education Funding Council for England  
Dr Meredith Edwards  
Deputy Vice-Chancellor, University of Canberra  
Wendy Bertiner  
Editor of Education+  
Julian Schwartz  
World Bank  
Sir William Stubbs  
Member of the Dearing Committee  
Douglas Trainer,  
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David Trieman,  
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## market report / shares

## Unlikely trio lead the pack as Footsie goes for a run

Taking Stock

## Data Bank

FTSE 100	4952.2	+82.0
FTSE 250	4633.2	+23.0
FTSE 350	2388.3	+34.2
SEAO VOLTIME	704.39	Shares
42.819	Shares	
07.03	Shares	

## Share spotlight

Company	Price	Change
British Aerospace	150.50	+1.50
British Airways	125.00	+1.00
British Petroleum	120.00	+1.00
British Telecom	110.00	+1.00
British Virgin Islands	100.00	+1.00
British Airways	125.00	+1.00
British Petroleum	120.00	+1.00
British Telecom	110.00	+1.00
British Virgin Islands	100.00	+1.00

It may be a coincidence – or then it may not – but an unlikely collection of stock market takeover candidates eased themselves to new highs.

On the surface Alliance & Leicester, the building society turned bank. Commercial Union, the old established insurance group, and Norwich Union, the insurer which arrived in June, have apart from their fascination with money, little in common.

Yet in often brisk trading A&L rose 12.5p to 642.5p with the non-inventive speculation that bid activity is imminent prompting much of the interest.

A&L is seen as obvious fodder for a clearing bank – Barclays? – or another ex-building society such as Halifax. Its shares, when dealings started in April, ended their first session at 566.5p. Former members who sold on conversion got 533.7p a share.

And CU, for long the subject of the City's rumour mill, rose 9.5p to 757.5p. An array of bidders, ranging from the German Allianz to a domestic operation such as General Accident, have for long been linked with the group.

Norwich was regarded as a bid target even before it came to market in June. It is due to go into Footsie later this month, an event which keeps the shares on their toes.

The price rose 6p to 550.5p, a closing peak, with the nagging story that Halifax, known to be mulling ambitions about expanding into insurance, is preparing to go on the warpath.

The unlikely threesome were not the only financial shares, which have lost some of their exuberance lately, to hit the high spots. Royal Sun & Alliance, the insurer, jumped 29.5p to 537.5p and General Accident 42.5p to 969p.



## MARKET REPORT

## DEREK PAIN

stock market reporter of the year

The rest of the market enjoyed another captivating run with Footsie ending 82 points higher at 4,952.2. The gentle evaporation of Pacific fears and a robust New York display in early trading fuelled the gain. It was the biggest advance for two months.

As if underlining that Far Eastern markets were riding out the storm, HSBC, by far the worst casualty of the Tiger turmoil, recovered 96p to 2,006p. Standard Chartered put on 30p to 862.5p.

British Aerospace flew 50.5p higher to 1,510.5p. The aero group responded to an order for 65 aircraft, worth \$4bn, won by its Airbus Industrie associ-

ate. BAe has a 20 per cent interest in Airbus and makes the wings for its aircraft.

It is likely that Airbus will, in the not-too-distant future, be rolled up and floated.

Such a move would enhance BAe's share of the consortium and there is speculation it would hand its interest directly to shareholders as a share bonus.

Body Shop International was the best-performing retail share with a combination of takeover and trading revival; the shares rose 17p to 189.5p. They were bumping along at a 150p low last month.

The company, which has

achieved little profits headway over the past four years, has high hopes of a home selling exercise, based on the Turnpike concept.

Thistle Hotels' disappointing profits display lowered the shares 19p to 132.5p and George Wimpey, the nation's biggest house-builder, lost 4p to 126p following interim results.

WH Smith, still seeking a chief executive, firmed 11p to 390.5p, best for two months. Hopes continue to circulate that during the present power vacuum a brave break-up bidder will appear. The market is divided about the merits of a break assault with many taking the view a sum-of-the-parts calculation does not support such a manoeuvre. Smith is not expected to produce a new chief executive, replacing Bill Cockburn who is joining BT, until next month.

Blackbird, the toys group, held at 92.5p. Guinness Peat, run by New Zealand entrepreneur Sir Ron Brierley, has picked up another 75,000 shares, lifting its stake to 9.18 per cent. Guinness Peat has established a reputation for building stakes in what it regards as undervalued companies. It has shined on obscure groups such as Gowings, the Burger King and garage chain, and Young & Co's Brewery. Bluebird's last set of figures showed interim profits down from £3.1m to £1.9m.

The shares were 200p early this year and hit 386p around Christmas last year. First Leisure Corporation edged back into the takeover frame, gaining 5.5p to 309p. Bass, up 15p to 849p, remains the favourite to strike.

Cliveden, the hotel chain which has been the subject of takeover speculation, fell 3.5p to 60p, back to the low hit last month.

Remember ADT, the Michael Ashcroft vehicle? Although the corporate magician has left the company, ADT, now called Tyco International, is still buying companies. Its latest acquisition is Keystone International, an industrial valves group. Mr Ashcroft left ADT around £150m richer. Tyco is still based in Bermuda. Its shares, traded in London, fell 45p to 4,050p.

Mears, a building services group, has completed the takeover of a Manchester maintenance contractor and has high hopes of completing another acquisition in the next few weeks. It is still winning local council contracts, the latest being a £6m three-year deal with Basildon. Interim profits rose 33 per cent to £272,000 and the year's results should nudge £700,000. The shares held at 12.5p.

## Share Price Data

Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

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Anyone with a land-line telephone can use the service. For a detailed description of the Independent Index, including its portfolio facility, phone 0800 123 333. For assistance, call our helpline 071 673 4376 (9am-5pm). Calls cost 50p per minute. Call charges include VAT.

## Property

Property shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Telecommunications

Telecommunications shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Textiles &amp; Apparel

Textiles & Apparel shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Tobacco

Tobacco shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Transport

Transport shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Water

Water shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Support Services

Support Services shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Government Securities

Government Securities are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Medicines

Medicines shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Longs

Longs shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Shorts

Shorts shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Undated

Undated shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Chemicals

Chemicals shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Building Materials

Building Materials shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Engineering

Engineering shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Electronics

Electronics shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Electricity

Electricity shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Food Manufacturers

Food Manufacturers shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Food Distribution

Food Distribution shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Health Care

Health Care shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Household Goods

Household Goods shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Leisure &amp; Hotels

Leisure & Hotels shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Printing &amp; Paper

Printing & Paper shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Pharmaceuticals

Pharmaceuticals shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Retailers, General

Retailers, General shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Retailers, Food

Retailers, Food shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## On Exploration

On Exploration shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## On Integrated

On Integrated shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

## Other Financial

Other Financial shares are listed in the following table. Prices are in sterling except where stated. The yield is last year's dividend, grossed up by 20 per cent, as a percentage of the share price. The price/earnings (P/E) ratio is the share price divided by last year's earnings per share, excluding exceptional items. Other details: Ex-dividend is Ex-dividend as Ex-dividend Securities Market is Suspended. In Party Paid pm In Paid Shares. 2 AM Stock. Source: FT Information

HOW CAN  
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of my savings and  
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TURN TO Travel and Money



**panetin**

Foreign Exchange Rates							
STERLING				DOLLAR			D-MARK
Country	Spot	1 month	3 months	Spot	1 month	3 months	Spot
US	1.5936	22-50	24-61	1.000	-	-	0.5426
Canada	1.2200	71-00	223-20	1.2200	32-31	38-38	0.7345
Germany	2.5357	57-00	230-270	1.5530	38-38	117-118	1.0000
France	1.9125	54-00	243-00	1.6175	115-116	393-394	3.3051
Italy	193.5	02-14	124-02	17043	174-179	48-48-0	873-890
Japan	284.0	104-10	104-07	321.81	50-51	155-161	371-392
ECU	1.4830	55-00	243-00	1.5530	14-15	48-47	68-69
Switzerland	80.310	21-14	55-51	87.78	2-574	32-325A	20-040
Denmark	11.120	340-20	1010-60	57.878	118-115	365-365A	3.8072
Netherlands	3.2558	106-08	319-80A	57.878	118-115	365-365A	3.8072
Spain	1.66	1-04	2-16	1.4981	5-7	18-18	1.3742
Greece	12.075	900-00	3100-00	7.5759	40-1542	49-1818	4.9319
China	246.24	22-78	110-67	154.32	52-53	28-29	84.0108
Sweden	12.652	110-00	320-00	1.3030	55-58	205-279	4.2819
Belgium	2.3597	114-00	325-00	1.3030	54-58	187-159	4.0210
Australia	1.2108	48-00	125-118	1.3748	74-76	25-26	1.7551
South Africa	2.9348	84-00	125-118	1.3748	74-76	25-26	1.7551
Hong Kong	9.9401	34-01	102-13	2.2820	40-50	128-145	1.8811
India	25.00	62-77	178-74	7.8784	74-76	31-55	0.0201
New Zealand	2.5750	34-01	125-118	1.3748	74-76	25-26	1.7551
Saudi Arabia	5.9970	34-01	125-118	1.3748	74-76	25-26	1.7551
Thailand	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Taiwan	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Philippines	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Malaysia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Singapore	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Brunei	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Indonesia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Myanmar	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Burma	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Cambodia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Laos	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Vietnam	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
North Vietnam	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
South Vietnam	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
East Germany	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
West Germany	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Poland	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Czech Republic	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Slovak Republic	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Hungary	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Romania	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Bulgaria	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Serbia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Croatia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Slovenia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Yugoslavia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Albania	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Moldova	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Ukraine	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Belarus	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Latvia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Lithuania	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Estonia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Finland	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Iceland	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Norway	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Denmark	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Sweden	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Netherlands	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Belgium	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
France	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Germany	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Italy	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Spain	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Portugal	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Greece	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Turkey	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Iran	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Pakistan	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Bangladesh	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
India	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Sri Lanka	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Malaysia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Singapore	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Brunei	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Indonesia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Philippines	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Thailand	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Vietnam	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Laos	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Myanmar	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Burma	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Cambodia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Laos	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Vietnam	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
North Vietnam	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
South Vietnam	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
East Germany	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
West Germany	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Poland	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Czech Republic	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Slovak Republic	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Hungary	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Romania	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Bulgaria	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Serbia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Croatia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
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Yugoslavia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Albania	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Moldova	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Ukraine	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Belarus	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Latvia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Lithuania	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Estonia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Finland	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Iceland	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Norway	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Denmark	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Sweden	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Netherlands	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Belgium	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
France	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Germany	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Italy	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Spain	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Portugal	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Greece	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Turkey	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Iran	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Pakistan	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Bangladesh	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
India	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Sri Lanka	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Malaysia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Singapore	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Brunei	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Indonesia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Philippines	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Thailand	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Vietnam	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Laos	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Myanmar	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Burma	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Cambodia	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Laos	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Vietnam	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
North Vietnam	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
South Vietnam	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
East Germany	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
West Germany	2.4157	34-01	125-118	1.3748	74-76	25-26	1.7551
Poland							

OTHER SPOT RATES					
Country	Starling	Dollar	Country	Starling	Dollar
Argentina	1,550.7	1.5508	Nigeria	19,167	60.2000
Bahamas	60.165	1.5508	Peru	0.0178	0.0001
Brazil	1,740.8	1.7409	Pakistan	64.5543	10.4700
Canada	1.21	1.2100	Philippines	0.0000	0.0000
Chile	1,926.1	1.9262	Portugal	205.288	162.890
Colombia	1,710.9	1.7110	Qatar	3.6418	3.6418
Ghana	394.77	2.0000	Romania	8914.48	394.545
Guatemala	1,550.7	1.5508	Saudi Arabia	5.4968	4.7000
India	54,170.4	36.6076	Taiwan	45.0000	20.0000
Indonesia	1,550.7	1.5508	UAE	3.6900	3.6900
Kuwait	0.4898	0.4898			

All exchange rates are quoted by the bank at a discount from current spot rates. These rates are for cash payments only. Bank rates for sight and telegraphic transfers are different.

High rates are at premium paid to spot rate. "Other" rates are quoted on non-payment. For the latter rates, the bank's rate is the rate at which it will buy the foreign currency.

[illegible]

UK Base	7.00%	Germany Discount	2.50%	US Prime	8.60%	Japan Discount	0.50%
France		Londoned	4.50%	Discount	5.00%	Belgium	
Intervention	3.10%	Canada		Fed Funds	6.50%	Discount	2.50%
Italy		Prime	4.75%	Spain		Central	3.00%
6-month	6.25%	Discount	2.80%	10-Day Repo	5.25%	Switzerland	
Netherlands		Demand		Sweden		Discount	1.00%

PREFERENCE	COUNTRY	UNDERLYING	0-6/30	Riskier (year)	% FIVE	LASTED	TEN %		
Bond Yields									
Country	5 yr	Yield %	10 yr	yield %	Country	5 yr	Yield %	10 yr	yield %
UK	7.00%	6.95	7.35%	7.61	Netherlands	8.35%	4.94	8.75%	5.92
US	6.85%	6.13	6.25%	6.30	Spain	7.80%	5.01	7.88%	6.38
Japan	5.05%	1.10	2.90%	2.10	Italy	8.35%	5.08	8.75%	6.58
Australia	10.00%	5.90	6.75%	6.34	Belgium	6.0%	4.90	6.25%	5.75
Germany	8.00%	4.96	6.00%	5.65	Sweden	15.0%	5.67	15.0%	5.50

France	4.75%	4.75	5.00%	5.00	ECU/Day	8.00%	8.15	8.30%	8.50
Bloomberg-MSC Markets Research      Yields calculated on local basis      * Derivates see backspread									
<h2>Money Market Rates</h2>									
Interbank	6% <sup>1</sup>	5% <sup>2</sup>	7% <sup>3</sup>	7% <sup>4</sup>	7% <sup>5</sup>	7% <sup>6</sup>	7% <sup>7</sup>	7% <sup>8</sup>	7% <sup>9</sup>
Standing CDs	5% <sup>1</sup>	5% <sup>2</sup>	6% <sup>3</sup>	6% <sup>4</sup>	6% <sup>5</sup>	6% <sup>6</sup>	6% <sup>7</sup>	6% <sup>8</sup>	6% <sup>9</sup>
Standing Auto Depts	5% <sup>1</sup>	5% <sup>2</sup>	6% <sup>3</sup>	6% <sup>4</sup>	6% <sup>5</sup>	6% <sup>6</sup>	6% <sup>7</sup>	6% <sup>8</sup>	6% <sup>9</sup>
Discount Market Depts	5% <sup>1</sup>	5% <sup>2</sup>	6% <sup>3</sup>	6% <sup>4</sup>	6% <sup>5</sup>	6% <sup>6</sup>	6% <sup>7</sup>	6% <sup>8</sup>	6% <sup>9</sup>
Treasury Bills (90y)	5% <sup>1</sup>	5% <sup>2</sup>	6% <sup>3</sup>	6% <sup>4</sup>	6% <sup>5</sup>	6% <sup>6</sup>	6% <sup>7</sup>	6% <sup>8</sup>	6% <sup>9</sup>

ECU Limited Dep	-	-	-	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
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## Liffe Financial Futures

Contract	Settlement price	High/Low for day	Est.Costs traded	Open Interest
Long Gilt (Sep 97)	114-80	115-00	114-19	36834
German Govt Bnd (Sep 97)	102-37	102-45	102-05	203342
Italian Govt Bnd (Sep 97)	137-22	137-35	136-95	70215
Japan Govt Bnd (Sep 97)	123-89	128-01	127-84	3313
				n/a

3 Mth Sterling	(Sep 97)	92.73	92.74	92.70	19306	135841
	(Oct 97)	92.72	92.74	92.74	33687	126874
3 Mth Eurodollar	(Oct 97)	96.58			0	1578
	(Dec 97)	96.45	96.47	96.43	31115	287720
3 Mth Eurodollar	(Sep 97)	93.19	93.23	93.17	29893	97395
	(Dec 97)	93.56	93.58	93.52	26451	91022
3 Mth Euroyen	(Oct 97)	96.42				0
3 Mth Euroyen	(Sep 97)	96.58	96.60	96.53	6433	
	(Dec 97)	96.31	96.36	96.29	18003	57197
3 Mth ECU	(Sep 97)	95.82	95.83	95.81	1845	8940
	(Dec 97)	95.59	95.54	95.57	339	10412
FTSE 100	(Sep 97)	4987.0	5019.0	4984.0	11790	68823

Portfolio	Open	High	Low	Close	Vol	Adj
<b>Life FTSE 100 Index Option</b>						
Settlement price: 4953	closing offer price					Call/Put
Series	4900	4950	5000	5050	Total/Vols	
Sep	157/60	124/76	95/102	70/151	--	
Oct	222/109	183/131	164/154	139/178	--	
Nov	283/148	254/170	226/192	187/215	--	
Dec	324/171	293/192	265/214	236/237	110/181	

## Commodities

INDUSTRIAL METALS - London Metal Exchange		LME Stocks	
Volume	Cash	3 mths	chg
Aluminum HG	1578.5-40.5	1807.0-47.5	+
Aluminum Alloy	1415.0-25.0	1445.0-50.0	-
Copper A	2150.0-52.0	2185.0-50.0	+
Lead	191.30-2.80	194.00-5.00	-
Nickel	4900-4000	5000-5000	-
Zinc	5285-83.45	5305-83.05	-

Zinc	1800.0-05.0	1485.0-00.0	17734	11520	40
Settlement contracts		D6	50A	BP	
average price		1.5977	1.6218	121.68	
Shrink volume & change in tonnage as of Tue 02 Sep					
<b>PRECIOUS METALS</b>					
per gram, per troy oz	\$	£	Coins	\$	£
Pure gold	410.00	253.70	Britannia	350	220
Palladium	187.50	117.25	Britannia 1/2 oz	192	121
Silver spot	4.70	2.94	Britannia 25 oz	80	55
Gold Bullion	322.40	202.51	Britannia 10 oz	38	24

AGRICULTURAL									
Cocoa		Coffee		Barley		Potatoes		Potatoes	
LIFFE	\$/ton	LIFFE	\$/ton	LIFFE	\$/ton	LIFFE	\$/ton	ATA	\$/cwt
Sep	1127	Sep	1623	Sep	78.00	Nov	82.00	Nov	
Dec	1182	Nov	1940	Nov	81.50	Mar	84.00	Nov	
Mar	1176	Jan	1640	Jan	83.50	Apr	114.00	Apr	22.20
Vol	5892	Vol	5008	Vol	143	Vol	108	Vol	281
White Sugar		Wheat		Coco		CROAT		Canebeet	
LIFFE	\$/ton	LIFFE	\$/ton	LIFFE	\$/ton	LIFFE	\$/ton	LIFFE	\$/ton
Oct	208.70	Apr	1980	Sen	65.00				

Mar	228.60	Sep	1480	Nov	86.90	Sep	270.50-284.50	267.50
Dec	222.00	Vol	1515	Jan	82.75	Dec	273.50-285.25	270.00
Vol	2867	Index	1594	Vol	455	Mar	281.75-275.25	279.75
Other Stocks (Agricultural)								
unq	Melons (No. 35)	Stoness	unq	Sep	Soyas Oil	FL/100lb		113.0
Sep/Oct	Corn (H)	Stoness	114.0	Sep/Oct	Coconut Oil (H)	Stoness		580.0
Oct	Cotton (H)	USCents	72.85	unq	Sunflower Oil	Stoness		unq
unq	Wool	America	unq	Sep/Oct	Repressed Oil	FL/100lb		111.0
Oct	Rubber	Mexican	250.0	unq	Groundnut Oil	Stoness		105.0

ENERGY												
Brent Crude												
		(\$/barrel)		(\$/barrel)		WTI		Products †				
ICE	5.03pm	%chg	YTD	ICE	close	%chg	YTD	Apr	Spot C/F	West	Europe	
Oct	18.56	+0.14		Sep	184.75	+1.25	Oct	19.80	Prod Unleaded		2102/13	
Nov	18.67	+0.08		Oct	187.00	+1.25	Nov	19.35	Naphtha		1827/16	
Dec	18.73	+0.03		Nov	189.00	+1.26	Dec	20.00	EC Gasoil		1897/14	
Vol.	20768			Index	185.51			Jan	20.00	Fuel Oil		699/2

† Prices 5.30pm previous day. Year ago prices show averages for month. Source: ICG London Oil Reports †New prices

COMMODITY INDICES							
"GSCI" Index	Base date	+8spot	% Day Chg	Dec 31st	% Yr-to-dy chg	Year ago	% Yr chg
Index	1970=100	195.77	+0.45	215.26	-8.05	199.06	-1.65
Agricultural	1970=100	243.35	+0.27	321.23	+5.54	280.42	-9.68
Energy	1983=100	71.65	+0.64	85.86	+18.55	70.36	+1.85
Industrial Metals	1970=100	182.42	+0.34	166.79	+0.97	164.23	+1.01
Livestock	1970=100	128.93	-0.04	191.08	-3.26	195.72	-5.30
Precious Metals	1970=100	420.49	-0.12	483.54	-2.18	494.34	-14.94

Source: Goldman, Sachs & Co. "GSCI" is a trademark and servicemark of Goldman, Sachs & Co. \*Close as of 28 Aug 97

100 Largest Insurance Funds			
Stock	Bld	Mkt	Other
Abbey Equity Ser 4	304.7	323.6	
Abbey International Ser 4	284.7	297.1	
Abbey Managed Fund 4	259.2	274.5	
Abbey International Ser 3	197.0	198.9	
Abbey International UK Equity Ser	173.9	182.2	
Abbey UK Equity Ser 3	173.0	225.1	
Abbey UK Equity Ser 2	135.5	135.4	
Abbey UK Equity Ser 1	120.3	120.3	
Alfred Dunbar Distribution Bond	95.0		
Alfred Dunbar Equity Acc	26.3	203.1	
Stock	Bld	Mkt	Other
London & General Investment Account	1085.0		152.7
London & Manchester Flexible Acc			
London Equity	741.0		
London Income	125.4		
M & G International Bond Acc	1101.7		106.3
M & G R & S Recovery Bond Acc	1003.3		177.4
Manchester Investors Managed	612.4		64.9
Manchester International	118.7		7.7
Midland UK Equity	137.3		144.6

[illegible]

CHAPS Payments	377.4	339.3	Scottish Annuity Equity Svc 1	227.9	871.5
UK With Profit Bond	114.0	114.0	Scottish Available Managed Svc 1	629.3	629.0
Commercial Property Equity 1	254.1	259.8	Scottish Equitable Fund	391.4	393.0
Commercial Union Mortgage	70.8	58.0	Scottish Equitable Fund 2	4.0	58.7
Commercial Union UK Equity	208.5	742.7	Scottish Mutual Cash	31.1	30.4
Commercial Union With Profit	191.1	125.3	Scottish Mutual Cash 2	128.3	142.5
Equity Share Mortgage 2	142.7	125.3	Scottish New Life With Profit	238.6	242.5
Equity Performance	151.0	150.5	Scottish New Life With Profit 2	128.3	142.5
Fixed Asset Investment	443.0	438.6	Scottish North Western International	677.2	676.5
Fixed Asset Investment 2	185.8	817.4	Scottish North Western 2	105.5	105.0
General Investment UK Equity	100.0	253.9	Standard Equity	1453.0	1571.9
General Investment With Profit	108.0	174.7	Standard European	226.0	123.7
UK Protected Life Fund	1042.7	1092.6	Standard Income	149.1	149.1
			Standard Profit Investment	462.7	529.3

[illegible]Annual Business Information Survey 1997  
Headland Business Information

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**FINANCIAL TIMES**  
*Information*

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## sport

## Danetime favourite for Sprint

Racing  
JOHN COBB

Racing reorganised yesterday to save the best races that would have been run in Saturday's programme, cancelled as a mark of respect for the funeral of Diana, Princess of Wales. Despite suggestions that the races might be delayed until next week and relocated, both the Haydock Park Sprint and Epsom's September Stakes will now take place at their original venues on Friday.

A £10,000 handicap over the Derby course, originally due to be run on Saturday at Epsom, has also been switched.

Both races will now stage eight-race cards, unless there are divisions, with Channel 4 televising five races, four from Epsom plus the Group One Sprint from Haydock.

Haydock and the Levy Board have maintained the support of the Sprint Cup at £100,000, but at Epsom a sponsor has been lost. "Grosvenor Casinos were due to sponsor the whole

of the Saturday card," Andrew Cooper, the clerk of the course, said, "and could have backed the September Stakes, but the switch to Friday didn't meet with their sponsorship objectives."

Nevertheless, the value of the September Stakes will remain at £30,000. "We have now funded the race through a combination of ourselves, the Levy Board and BHB," Cooper said.

The BHB had considered switching the races to Doncaster or Goodwood a week later. However, its racing director, Paul Greaves, said: "Retaining the races at their original courses had to be the best option. Trainers enter horses to run on a particular course. But the exercise is tinged with the sadness of having to do it in the first place."

Haydock will be giving away a commemorative racecard and observing a minute's silence before the meeting starts. The course executive expects the attendance to be well down on a Saturday crowd of 10-15,000. Epsom anticipates a crowd of around 4,000.

Saturday's card at Fairyhouse will go ahead, while the greyhound meetings at Catford and Romford scheduled for Saturday morning have been postponed until the afternoon. William Hill plan to open their betting shops in the afternoon.

That change have opened betting on the Haydock Sprint, taking the view that the Stewards' Cup winner, Danetime, can

Neville Callaghan, Danetime's trainer, certainly believes his horse is never easy to win. One race has been set up in class. "I think the ground will be on the soft side of good - I hear it has been raining at Haydock today - and anything other than firm is OK," he said.

"The race is a day earlier, but if he wasn't ready to run on the Saturday he wouldn't be ready to run on the Friday. I am perfectly happy with him and he is entitled to take his chance."

Royal Applause, William Hill's second choice at 7-2, is also ready for what looks like to prove the most competitive sprint of the season. The four-year-old's trainer, Barry Hills, said: "He did a bit of work for Michael (the trainer's son) this morning and he was very happy with him. He's got form and I am looking forward to it."

Royal Applause lost his unbeaten record for the season when second at odds of 11-10 in the July Cup on his last start, finding 50-1 outsider Compton Hill too strong.

Hills took the bay's defeat philosophically: "Group One races are never easy to win. He didn't get the best of breaks and he didn't get into a high cruising speed like he normally does. He came down the stands side and the other horse came down the other side but the winner showed the speed to pick up from about fifth and is a pretty good horse."

Compton Hill, 14th of 15 in the Nunthorpe Stakes at York last time, will attempt to confirm July Cup form with Royal Applause as long as the ground at Haydock is good or faster.

His trainer, James Toller, said yesterday: "He seems very well and I can only think that it was a combination of the rain and missing the break that caused him to run badly at York."

Conversely, connections of the John Dunlop-trained Indian Rocket are hoping for rain-fall over the coming days.



Danetime: favourite for the Haydock Park Sprint which will now be run on Friday

Folkstone racecourse received a complaint by telephone yesterday saying that Plastered In Paris, a runner in the median auction maiden stakes, should not have been allowed to run because of the tragic circumstances of the death of Diana, Princess of Wales at the weekend. The chestnut gelding finished seventh.

## Searle out for a repeat showing

Rowing

Greg Searle could emerge as a resuscitated hero of British rowing when he bids to put himself on course to win a World Championship sculling medal in Aiguebelette in eastern France tomorrow.

The Molesey rower, a first-season sculler, will go into the semi-final sale in the knowledge that he has already convincingly beaten the world No. 3, Frederick Bekken, in his heat on Monday.

"It nearly went to my head that evening. I went to bed and was so excited that I couldn't sleep. However, I now have to concentrate again," said a delighted Searle, the Olympic coxed pairs champion in 1992.

Searle and his coach, Harry Mahon, are taking nothing for granted in their preparation for the semi-final, and Searle said: "Both Harry and I know what has to be done. It is going to be really tough. Bekken is a class act, and class doesn't disappear overnight. I'm sure he will be challenging again."

Searle's best finish of the year has been sixth at Paris, in the second world cup event. He showed his ability with that race and proved it again when he won at Henley Regatta.

Yesterday, Britain's coxless pairs medal hopes Rob Thatcher and Ben Hunt-Davis put the disappointment of losing in the heats behind them when they comfortably won their repechage.

Thatcher and Hunt-Davis were ranked as world No. 2 at the end of the World Cup regatta but a slip-up in Monday's heat saw them forced into the repechage and, had they come third, they would have been out. However, they put together a solid row and eased past the rest of the field after the halfway point.

"We just hadn't had enough race practice going into Monday's heat," said Thatcher. "We hadn't raced for six weeks and we weren't race fit."

"I think the rep has done us good and now we are feeling good on the water, which can only help in the semi. We weren't at full tilt today and I think we can go at least eight seconds quicker."

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## HYPERION

2.10 High Premium 4.10 Special-K  
2.40 Theofanis (nb) 4.40 Doolish  
3.10 Idica 5.10 Equity Princess  
3.40 ELFLAND (map)

GOWN: Soft  
BLAZER: 6-8, 9-10, 11-12, 13-14, 15-16, 17-18, 19-20, 21-22, 23-24, 25-26, 27-28, 29-30, 31-32, 33-34, 35-36, 37-38, 39-40, 41-42, 43-44, 45-46, 47-48, 49-50, 51-52, 53-54, 55-56, 57-58, 59-60, 61-62, 63-64, 65-66, 67-68, 69-70, 71-72, 73-74, 75-76, 77-78, 79-80, 81-82, 83-84, 85-86, 87-88, 89-90, 91-92, 93-94, 95-96, 97-98, 99-100, 101-102, 103-104, 105-106, 107-108, 109-110, 111-112, 113-114, 115-116, 117-118, 119-120, 121-122, 123-124, 125-126, 127-128, 129-130, 131-132, 133-134, 135-136, 137-138, 139-140, 141-142, 143-144, 145-146, 147-148, 149-150, 151-152, 153-154, 155-156, 157-158, 159-160, 161-162, 163-164, 165-166, 167-168, 169-170, 171-172, 173-174, 175-176, 177-178, 179-180, 181-182, 183-184, 185-186, 187-188, 189-190, 191-192, 193-194, 195-196, 197-198, 199-200, 201-202, 203-204, 205-206, 207-208, 209-210, 211-212, 213-214, 215-216, 217-218, 219-220, 221-222, 223-224, 225-226, 227-228, 229-230, 231-232, 233-234, 235-236, 237-238, 239-240, 241-242, 243-244, 245-246, 247-248, 249-250, 251-252, 253-254, 255-256, 257-258, 259-260, 261-262, 263-264, 265-266, 267-268, 269-270, 271-272, 273-274, 275-276, 277-278, 279-280, 281-282, 283-284, 285-286, 287-288, 289-290, 291-292, 293-294, 295-296, 297-298, 299-300, 301-302, 303-304, 305-306, 307-308, 309-310, 311-312, 313-314, 315-316, 317-318, 319-320, 321-322, 323-324, 325-326, 327-328, 329-330, 331-332, 333-334, 335-336, 337-338, 339-340, 341-342, 343-344, 345-346, 347-348, 349-350, 351-352, 353-354, 355-356, 357-358, 359-360, 361-362, 363-364, 365-366, 367-368, 369-370, 371-372, 373-374, 375-376, 377-378, 379-380, 381-382, 383-384, 385-386, 387-388, 389-390, 391-392, 393-394, 395-396, 397-398, 399-400, 401-402, 403-404, 405-406, 407-408, 409-410, 411-412, 413-414, 415-416, 417-418, 419-420, 421-422, 423-424, 425-426, 427-428, 429-430, 431-432, 433-434, 435-436, 437-438, 439-440, 441-442, 443-444, 445-446, 447-448, 449-450, 451-452, 453-454, 455-456, 457-458, 459-460, 461-462, 463-464, 465-466, 467-468, 469-470, 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**Hendry**



Photograph: ALLSPORT

competitions thus far, Toulouse triumphing in 1996 as a prelude to Brian Hastings' second and grand raid this season, and if the *Wolves* contribute another final, this time around, the match will take place on mainland Europe. If no French side makes it all the way, Twickenham will host the final (great news for Welsh supporters if Cardiff and Swansea share top billing).

Predictably, the bookmakers give the Scottish districts and Irish provinces something akin to a cat's hoove in hell of reaching the sudden death phase, all six sides carrying odds of 100-1 or longer. Bath go in as marginal favourites over Toulouse – a decent bet at 4-1 – but the current favourite, Leinster, look the strongest. As Leinster's contenders will find the dark horses from across the Channel and Cardiff a major threat from the far side of the Severn Bridge. And if you're sound like fence-sitting, you're dead right.

# Clark und

## Rugby League

**DAVE HADFIELD**

If rugby league had a pound for every time that its future has been said to hang on a crucial meeting, it would not be in the plight that it is. There is another in that continuing series of pivotal discussions today, when a long-awaited gathering of the game's Council convenes at Salford.

On the agenda is a re-organisation of the board of directors that runs the sport.

## Calzaghe's Challenge to Gary Collier

or struggle that has been going on between various factions of the game and the chief executive, Maurice Lindsay, will today attempt to pull every one back under the same umbrella.

The Super League clubs and those in the First Super League Division are entitled to some autonomy, because they have different needs," Lindsay said. "But we are too small to be able to afford splintered groups."

Lindsay has denied issuing a "back me or sack me" ultimatum to the clubs; he knows that, despite his efforts to paper over

**WEEKEND P  
MATCHES**

**Weekend postponements**

All fixtures scheduled for Saturday & September 1 in the following leagues have been postponed: **Nationwide Football League** (Sunderland v Ipswich, Luton v Walsley, Huddersfield Town v Burnley, Bradford City v York); **Football Conference**, **Midland League** and **Inch Recreation**; **Durham League** and **North Yorkshire League**.

**Matches re-arranged for Friday & September 2** will be valid (V) on pools coupons. The results of matches re-arranged for Sunday & September 3 will be invalid (I) on pools tickets. Matches re-arranged for Monday & September 4 will be valid on pools coupons. The results of matches re-arranged for Thursday & September 7 will be valid on pools tickets, provided the pools permit such Tuesday evening fixtures.

In the forecast below for matches that should have been played on Saturday, 8 September, the first pool coupon number is followed by the second pool coupon number if it followed by the third pool coupon number. If forecasts are only given for matches on the pools coupons (including valid matches),

**Nationwide Football League**  
**First Division**

(1st Div) Barnimingham v Ipswich .....  
..... (Sun 7 Sep) Bury v Tranmere .....  
(1st Div) Merit City v Crusoe .....  
(2nd - 9 Sep) Port Vale v Stockport .....  
..... (Sun 7 Sep) Swindon v Nottm Forest .....  
(Sun 7 Sep) West Brom v Reading .....

**Second Division**

(Sun 7 Sep) Blackpool v Carlisle .....  
(Sun 7 Sep) Bristol Rovers v Millwall .....  
(Sun 7 Sep) Exeter City v Torquay .....  
(Sun 7 Sep) Gillingham v Leyton Orient .....

over the cracks, there might be expressed a desire to be in

over the cracks, there might be too many tempted by the latter.

The League's chairman, Sir Rodney Walker, has not been so reticent. He is considering his position and several other members of the board have already announced that they are going to resign to replace themselves at least in part, by independent directors, from outside the game and based in London.

The meeting will have to decide on the long-delayed introduction of a salary cap for next season. Lindsay believes that a limit of 50 per cent of income that can be spent on players' wages will have widespread

to save clubs from their own rash impulses, it is already long overdue; whether there is the willingness to co-operate with it is another matter.

League club there – a project with which the Australian club the Hunter Mariners, have also

7 (Sun 7 Sep) Chesterfield v Burnley .....  
8 (Tue 9 Sep) Fulham v Plymouth .....  
9 (Fri 5 Sep) Gillingham v Bournemouth .....  
10 (Tue 3 Sep) Grimsby v York .....  
11 (Sat) Millwall v Bristol City .....

12 (Tue 9 Sep) Northampton v Luton .....  
13 (Tue 9 Sep) Oldham v Preston .....  
14 (Fri 5 Sep) Southend v Brentford .....  
15 (Sun 7 Sep) Watford v Wycombe .....

**Third Division**

16 (Fri 5 Sep) Chester v Hull .....  
17 (Mon 8 Sep) Colchester v Brighton .....  
18 (Tue 9 Sep) Exeter v Cardiff .....  
19 (Fri 5 Sep) L. Orient v Carrib Utd .....  
20 (Fri 5 Sep) Macclesfield v Darlington...

22 (Sun 7 Sep) *Notts Co v Scunthorpe* .....  
23 (Sun 7 Sep) *Peterborough v Barnet*.....  
24 (Wed 10 Sep) *Rotherham v Lincoln*.....  
25 (Sun 7 Sep) *Scarboro v Hartlepool* .....  
26 (Tue 9 Sep) *Stourbury v Rochdale* .....

**GM Vauxhall Conference**  
28 (Sun 7 Sep) Cheltenham v Rushden ..  
29 (Sun 7 Sep) Farnborough v Kettering ..  
30 (Fri 5 Sep) Halifax v Yeovil .....

32 (Sun 7 Sep) Hednesford v Woking .....  
33 (Sun 7 Sep) Leek v Kidderminster .....  
34 (Sun 7 Sep) Northwich v Dover .....

Scotland should be one of five areas in which new clubs should be planned. The others are Ireland, the South West, Wales and

The League needs to be careful. That sounds suspiciously like an expansion strategy.

■ Super League attendances in 1997 were the highest for eight

year was 6,936 compared to 6,571 in the first season of summer rugby, an increase of 5.6 per cent. Although comparisons are difficult because of the varying

flight over the years, the later average gate is the second highest since one division was scrapped in 1973. The total

Super League this year was 915,645, an increase of 48,211. Bradford Bulls, the champions, have led the way, improving their crowds by 46 per cent.

**TOOLS GUIDE**

36 (Sun 7 Sep) Southport v Slough .....  
36 (Sun 7 Sep) Stevenage v Morecambe.....  
37 (Sun 7 Sep) Telford v Gateshead .....  
38 (Sun 7 Sep) Welling v Stalybridge .....

**Belt's Scottish League**

**UnBond League  
Premier Division \***

40 (TBA) Altonchorn v Pickley .....  
41 (TBA) Boston Utd v Radcliffe .....  
42 (TBA) Chorley v Hyde .....  
43 (TBA) Colwyn Bay v Bishop Auckland .....  
44 (TBA) Emley v Bamber Bridge .....

48 (TBA) Guiseley v Barnsley .....  
47 (TBA) Lancaster v Worsley .....  
48 (TBA) Leigh RMI v Alfreton .....  
49 (TBA) Marine v Blyth Spartans .....  
\* Uniford League clubs have been given

Four draws: Birmingham City v Ipswich Town; Northampton Town v Luton Town; Rotherham v Lincoln; Welling v Stevenage.

Five away: Bristol City, Kidderminster Harriers, Morecambe, Hyde, Winstanley.

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## European dream

Chris Hewett looks at this season's Heineken Cup competition, page 24

## sport

## Taste of defeat

Pete Sampras is beaten in the fourth round of the US Open, page 25



Rio Ferdinand: 'Devastated' at being dropped by England after drink-driving conviction

## Drink ban costs Rio England chance

Football  
GLENN MOORE

Rio Ferdinand yesterday learned that playing football like a grown-up is not enough. To earn the honour of representing England you have to behave like one, too.

Last Friday the teenager was being celebrated as football's new 'bright young thing'. Billed as the heir to Bobby Moore's gilded legend at both club and country, he was called up for England's World Cup tie with Moldova next Wednesday barely six months after making his first start for West Ham. At 18

years and 10 months, Ferdinand had a real chance of becoming the youngest England international since Duncan Edwards.

Then he was arrested and charged with drinking and driving. Yesterday, as news of his arrest and subsequent conviction broke, he was told he will no longer be considered for next week's match, not even as a substitute.

Glenn Hoddle, the England coach, made the decision to exclude Ferdinand without need of prompting by the Football Association. In the wake of the revelations about the state of the driver involved in the death of Diana, Princess of Wales, he had

little choice, but it was emphasised yesterday that Hoddle would have acted the same regardless.

Ferdinand, who pleaded guilty and was banned from driving for a year, was still allowed to join the England party last night and will train with them.

Some will wonder why Ferdinand was rejected while, last season, Paul Gascoigne was selected despite allegations that he had beaten his wife. The crucial difference would appear to be that Ferdinand has been charged and convicted while Gascoigne was not, neither the police nor his wife having made a complaint.

Since Gascoigne admitted his behaviour, this argument may seem disingenuous but the inconsistency reflects Hoddle's interest in the pastoral side of his job. Many feel Gascoigne is beyond redemption but Hoddle believes the way to bring the best from him, both as a man and a footballer, is through counselling and support from within the England framework.

Ferdinand would appear less in need of help and the hope is that by this salutary lesson he - and the other young players in the squad - will see what they are risking.

That was his club's view. Peter Storrer, the West Ham

chief executive, said: "The player deeply regrets his actions. He has made a mistake and paid a high price. The club hopes he will learn by this and will concentrate his efforts on the exciting career ahead of him."

It was not entirely clear yesterday what type of mistake Ferdinand made after celebrating his England call-up on Saturday night. Initial reports said he was caught driving home but his mother, Janice, said he had taken a taxi that night. She said he was stopped on Sunday having not appreciated how long alcohol stayed in the blood. She also told the Press Association this occurred in the afternoon,

which would require a formidable amount of alcohol to have been consumed the previous night. Earlier, clearly upset, she was quoted by West Ham's Clubcall suggesting he was stopped in the morning having left a garage without turning his lights back on - which must have been early in the day since it is light by 7am.

Either way Ferdinand is not regarded as a heavy drinker and this is seen more as a lapse in judgement than an illustration of a self-destructive lifestyle. That is one reason why Hoddle has given him the encouragement of allowing him to remain with the squad; another is that

he and the senior players will be able to caution him privately about his behaviour.

"He is absolutely devastated," his mother added. "He is really distraught and so very sorry. We are all so sad. Rio has had such a solid head on his shoulders. He has been very strong and positive about keeping away from temptation. He does a man's job out there on a Saturday and he will fight back from this."

In less than a week Ferdinand has reached for the stars and stared at the abyss. It is now his choice as to which path he follows. Yesterday, Hoddle pointed him in the direction.

## Martin denied his Ryder Cup chance

GOLF  
ANDY FARRELL

Just when Europe's preparation for the Ryder Cup could not get any worse, the Ryder Cup Committee has taken the unprecedented and undignified step of dumping Miguel Angel Martin, entirely against his will, from the team for the match against the Americans in three weeks' time.

Jose Maria Olazabal, who finished 11th on the qualifying table, now becomes an automatic selection. While captain Seve Ballesteros will finally name his two wild cards in Switzerland on Thursday, Tom Kite, his opposite number, has been happily in possession of his American lineup for over two weeks.

Martin, who had an operation on his injured wrist on 5 August and only had the plaster removed last week, refused to attend a fitness test at Valderrama today, fearing it would damage his recovery.

"Miguel has not played competitive golf since 18 July and had been requested to demonstrate that there was a reasonable likelihood that he would be fit and competitive for the Ryder Cup matches," said a statement of Mitchell Platt, the European Tour's director of communications. "Miguel informed the Ry-

der Cup committee that he did not think it was necessary or convenient in his recuperation to play 18 holes at Valderrama, which would have provided this opportunity. Following close consultation between the Ryder Cup Committee and Seve Ballesteros, Miguel has been informed that he will be replaced."

Ken Schofield, the executive director of the PGA European Tour, announced on Sunday that Martin would have to undergo a fitness test at a course in Madrid. But yesterday morning, by fax, Martin was informed he was required to play 18 holes at Valderrama, venue for the match on 26-28 September. An English sports medicine doctor and representatives of the Ryder Cup Committee and the Spanish Federation would be present.

"I answered the committee that I am not going to be there," Martin said. "I can't play 18 holes properly at this time." Martin's physiotherapists did not want him to go, either. "They say, 'no, no, no, if you go there we will stop doing things that are very important'."

"They are doing things every day for my wrist and my recovery would be harmed by hitting shots now. That's what I want to avoid. I want to get fit - for the Ryder Cup, if possible, but

if not for that then for the next tournament, or for next year or forever. I don't want to do any damage."

There seems little hope that Martin, who suffered the injury at Loch Lomond and last played at the Open, can be match-fit in time for Valderrama, but he wanted to be given as much time as possible. "I don't want to withdraw," he said. "This is my sport and I am going to be there if I can."

It is possible that Martin may start legal proceedings to regain his place. The 35-year-old Spaniard was never out of the automatic spots over the 12 months of qualifying and he won the Heineken Classic in Perth in February. Despite making only one cut since the end of May, no one knocked him out of the top 10.

Controversy over the selection of European Ryder Cup team is nothing new. The system and number of wild cards has been a talking point not just this year, but for other recent matches. But clearly, Ballesteros will go to Valderrama to defend the cup with a stronger hand than with Olazabal stepping into the team and the captain free to select Nick Faldo and Jesper Parnevik, or someone else who has demonstrated good form in the last few weeks.



Gloucestershire's Mike Smith appeals in vain for lbw against Kent's Alan Wells at Canterbury yesterday

Photograph: David Ashdown

## Wells gives Kent runs to play with

DAVID LLEWELLYN

reports from Canterbury  
Kent 305  
Gloucestershire 12-0

There was an unfocused look to events at the St Lawrence Ground yesterday. If there was an edge to this top-of-the-table match, then it was blurred. Third-placed Gloucestershire clawed back one point, but Kent are unlikely to be too bothered. The wicket has bounce and turn and Kent have Paul Strang in their line-up.

The Zimbabwe leg-spinner already has more than 50 Championship wickets to his name and in the one over he had at Gloucestershire's openers he posed an immediate

threat, finding the edge of Dominic Hewson's bat and drawing anguished cries from his team-mates as the ball scuttled to the boundary instead of to a pair of eager Kent hands.

Dean Headley also looked menacing and exploited the bounce from the off, rattling Hewson's rib cage with a brute of a delivery. Things are likely to become harder rather than easier, so Kent will probably be content with their first-innings score.

If they did not exactly scratch around for runs, nor did they fill their boots. Maybe it was the early start, maybe there was an autumnal feel to the atmosphere, but the Championship leaders were in trouble not long after the start, losing their openers David Fulton and Ed Smith within 11 overs.

When Trevor Ward also departed not long afterwards, it needed the experience of Alan Wells to see them out of immediate trouble. At times Wells, the former Sussex captain, was majestic. No matter what Gloucestershire tried (and he faced six of the seven bowlers they employed during the day), Wells was the equal of it.

The manner in which he took some of his 17 boundaries quite took the breath away. Gloucestershire's captain Mark Alleyne was driven imperiously through the covers on a number of occasions and once or twice cut hard to the boundary.

Not even the former England fast bowler David Lawrence was spared. Wells has been the man in form for Kent, having scored a lot more runs in the

Championship than his team-mates. His dismissal came as a total surprise, caught down the leg side off his chief source of runs, Alleyne.

By then he had shown the way, though. Matthew Fleming roared into the forties, while Mark Ealham anchored him-

self at the other end. Matthew Walker, restored to the side courtesy of a back injury to Graham Cowdrey, played his part in a 117-run fourth-wicket stand with Wells and the tail dragged Kent to a third bonus point. Now it is the turn of their bowlers.

## FA 'keen' to stage charity match

The Football Association remain 'very keen' on honouring the memory of Diana, Princess of Wales, by staging a charity match to raise funds for the Bosnian victims of landmines.

"The Princess was obviously very keen on the landmines issue and we were having talks with charity organisations before she died," a spokeswoman said. "No details were finalised, but we are still very keen to pursue the idea of staging the game."

Scotland will play their World Cup qualifying match against Be-

larus at Pittodrie on Saturday at 3pm as originally planned, despite the fact that it will clash with the funeral of Princess Diana.

"This has not been an easy decision for the international committee to reach, the Scottish FA chief executive Jim Farry said, "but there are insurmountable logistical difficulties. "We are extremely conscious of the mood of the nation and trust people will try to understand our position and how difficult it has been to arrive at this decision."

Players from both sides will

wear black armbands and observe a minute's silence.

Glasgow have been frustrated in their attempts to play their rugby union Heineken European Cup game against Ulster on Friday night. The tournament organisers, ERC Ltd, have refused a request by both clubs for dispensation to stage the match on schedule with a two-minute silence before kick-off. The match will be played on Monday.

Rearranged weekend football and rugby union fixtures, page 24

**THE INDEPENDENT CROSSWORD**  
No. 3394, Wednesday 3 September  
By Aquila  
Tuesday's Solution

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**ACROSS**

- Working with tars could be safe, given a call (9)
- Understanding of German file (5)
- Old characters around Omaha? (5)
- Pieces of French exercises (9)
- Old timer's incentive (10)
- Top player reported to give up (4)
- Fairs contests (7)
- State former torment (7)
- I cover new year of Curzon's office (7)
- Untidy, like part of neck shown by youth originally (7)
- Advantage of hurried getaway? (4)
- Pieces of chicken for battering (10)

**DOWN**

- Tibetan, so injured, is immovable (9)
- Copper in tea-break is still observant (5)
- Overcharges in castles (5)
- American egg-shaped fruit for early cooks in England (3-6)
- Drunken sot with jolly bluster (5)
- Ethnicist, a converted pagan? (9)
- Heavens! What a mood! (10)
- Instructs fashionable classes (7)
- Greek orphan-girl tied knot, we are told (7)
- Gunpoint opening (4)
- Answer for when mouse disappeared? (5)

**PHYSICS AROUND THE WORLD**

ALBANY, N.Y. (AP) - A meteorite, weighing about 100 pounds, fell from the sky near Albany, N.Y., on Tuesday. The meteorite, which was about 10 inches in diameter, was found by a farmer who was plowing his field. The meteorite was found in a field near the town of Albany, N.Y. The meteorite was found in a field near the town of Albany, N.Y. The meteorite was found in a field near the town of Albany, N.Y.

## Maynard's aggression puts Glamorgan on top

DEREK PRINGLE

reports from The Oval  
Surrey 204  
Glamorgan 133-2

An unbeaten half-century by Glamorgan's captain, Matthew Maynard, from just 51 balls has put his team in with a chance of taking a telling first-innings advantage over Surrey after the home side were bowled out by tea for 204. With both sides wearing black armbands following the tragic events in Paris, Glamorgan's glee was somewhat lost in the sombre atmosphere of a near-empty Oval.

Maynard, who came to the wicket after Hugh Morris was caught behind off Saqlain Mush-taq, played with both authority and freedom, unencumbered by the dislocated thumb that troubled him against Leicestershire.

When he is in the mood, Maynard has a power and range of stroke few in the land can match. Yesterday few escaped his wrath and, having pulled and glanced Ben Hollis for a brace of fours, he savagely clumped Saqlain high and wide for six over mid-wicket.

If there is a criticism, it is that when the pressure is on he tends to overdo the gung-ho bit, and in the past some of his downfalls have been every bit as spectacular as his successes.

Form can be a misleading guide with which to judge county cricket teams at this time of the year. Before this game, Surrey, some 20 points adrift of their opponents here, had beaten four of their last five opponents, while Glamorgan, the Championship's co-leaders, had won just once.

It was a record that did not bode well for the visitors, especially after Adam Hollis won the toss on a dry pitch that provided plenty of early turn for those prepared to work their fingers.

That said, spin did not play its part until substantial inroads had already been made, and Waqar's return to his old stamping ground came to almost instant fruition when in his third over he removed his old captain Alec Stewart, caught behind by the keeper, Adrian Shaw.

With this winter's touring side to be decided within the next week, Mark Butcher could have done with a big score to help cement his name in the selectors' minds. Instead, having reached

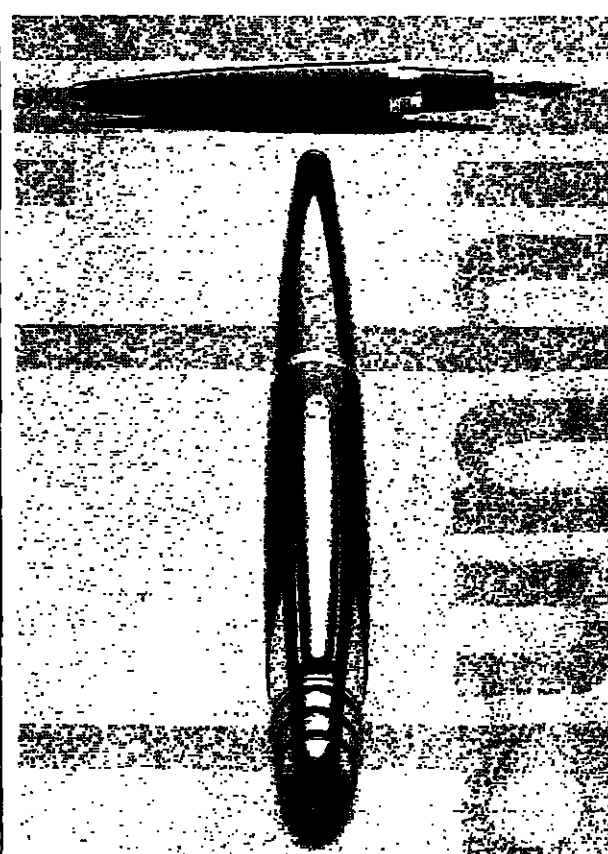
20 in untroubled fashion, he tried to whip across a straight ball from Steve Watkins and was lbw.

Such lapses in concentration are not unusual at this time of year and Graham Thorpe, after a flurry of boundaries, was equally guilty, edging an ambitious cover drive off Darren Thomas.

With three prime wickets virtually gifted Glamorgan's way, Croft was left to slowly exert pressure from the Pavilion End. With the ball occasionally turning sharply, Surrey's middle order simply did not have the technical wherewithal to keep him out without taking risks, and both Hollis and brothers were out sweeping across the line.

Adam Hollis, who in all probability will lead England's one-day side to Sharjah this December, had begun aggressively, striking his fifth ball (from Croft) for a mighty six over long-off.

That dominance was short-lived, however, and only Alistair Brown played with the necessary determination. Positive but not over-ambitious, Brown struck the ball with his gung-like clarity until a rare moment of indecision against the first ball of Watkins' third spell, giving Shaw the third of his five catches.

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